

Economic Development & Housing

Mission

We build community and improve quality of life in Santa Rosa to help residents flourish and businesses thrive. We strengthen the local economy. We deliver exceptional parking services. We help people with rental assistance. We create quality affordable housing. We revitalize neighborhoods.

Department Description

The Department of Economic Development & Housing is comprised of three entities- the City of Santa Rosa, the Housing Authority, and the Successor Agency to the former Redevelopment Agency. The programs within those entities provide core economic development, parking, and housing services to our community. The functions of the Housing Authority and the Successor Agency are shown in separate sections of this document adjacent to this section.

Under the City of Santa Rosa Entity, the Department is responsible for providing economic development programming, neighborhood revitalization outreach, homeless services, managing the mobilehome rent control ordinance, and parking district services. A brief description of each program follows:

Parking Operations & Maintenance – Serves an estimated two million customers per year by managing and maintaining the City's five garages, ten surface lots, on-street metered parking and time-limited parking spaces for the downtown City center and residential parking zones.

Parking Enforcement – Monitors and regulates parking meters, time zones, and other restricted parking areas in the Downtown Central Parking and Railroad Square Districts, as well as six Residential Permit zones. Enforcement maximizes parking options for residents, commuters and visitors in a fair, equitable manner that promotes and encourages economic growth.

Economic Development – Supports a vital local economy by helping business grow and expand in our community. Creative programming is designed to enhance the City's innovative and entrepreneurial image. Staff supports the Santa Rosa Tourism Business Improvement Area (SRTBIA) as well, with services focused on tourism by encouraging overnight stays at local hotels and supporting unique local events and marketing campaigns that reinforce Santa Rosa as a visitor destination in Sonoma County.

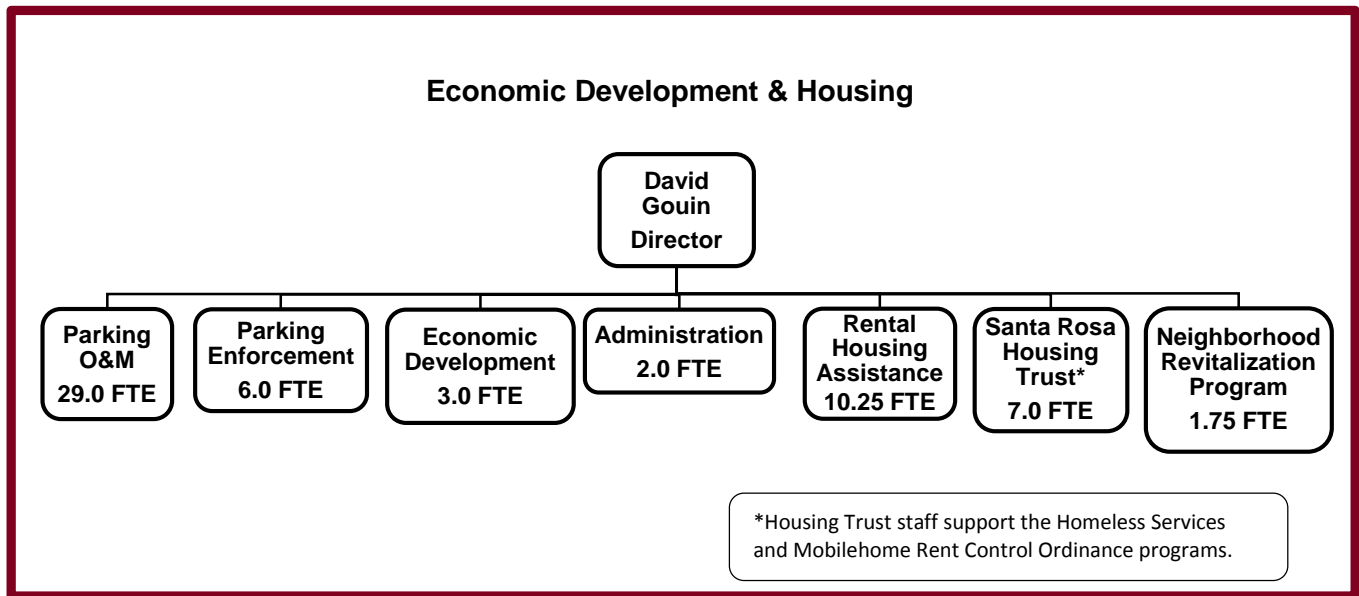
Neighborhood Revitalization Program (NRP) – Works to improve living conditions in target neighborhoods with employees from a City-wide taskforce. The goal is to improve neighborhood characteristics that contribute to lowering the quality-of-life in the area by responding with possible solutions and improvements that involve all the neighborhood stakeholders.

Homeless Services – Provides essential homeless shelter services through contracting the operation of the homeless shelter at Samuel Jones Hall, which serves homeless individuals and families throughout the year. The shelter provides 138 year-round and 50 winter shelter beds. Additionally, the City participates in the County-wide Continuum of Care program and helps fund the federally mandated homeless count.

Mobilehome Rent Control Ordinance – Enforces the Ordinance, enacted in 1993, which regulates mobilehome space rents in 15 mobilehome parks in the City by assisting mobilehome owners and park owners with mediation of mobilehome space rent issues.

Economic Development & Housing

FTE by Program



Strategic Goals and Initiatives for FY 2015-16

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

Economic Development

- Provide industry cluster support by helping our existing industries grow through awareness campaigns, business retention visits, and marketing and promotion of the area's demographic and lifestyle assets. 1
- Support local innovation and entrepreneurship by promoting entrepreneurial ecosystem to encourage start-ups. 1
- Enhance the business climate by collaborating with internal departments on marketing and simplifying the entitlement process. Improve culture through marketing campaigns that promote Santa Rosa lifestyle and local pride, and communications in internal and external programs to engage with the business community. 1

Neighborhood Revitalization Program

- Continue outreach and inspections to designated focused neighborhoods: Sunset/Delport, McMinn, West Ninth, Olive/ Corby, South Park and Aston. Partner with landlords, residents, surrounding schools, and nonprofit agencies to improve the quality of life of low income residents. 5

Homeless Services

- Continue to administer the Samuel Jones Hall Homeless Shelter operations contracts. 5
- Provide ongoing support to homeless services, the Continuum of Care planning group, and other community initiatives, including federally mandated homeless count on a bi-annual basis. 5

Mobilehome Rent Control Ordinance

- Continue to administer the City's Mobilehome Rent Control Ordinance by mediating mobilehome space rent issues 6

Economic Development & Housing

Parking Operations & Maintenance

• Continue former White House site/Garage 5 development feasibility analysis.	1
• Design and build solar energy system on garage roof tops.	1, 3
• Complete Garage 5 repairs to extend useful life of facility for 3-5 years.	1,6
• Replace 11 multi-space meters with 88 single-space credit card enabled meters in Railroad Square.	1
• Develop a Railroad Square/SMART Parking Management Plan in preparation for the arrival of the SMART train to Railroad Square and pending development.	1
• Implement Hansen asset management plan for Parking assets.	1,2
• Complete structural assessment of five public garages and revise the ten year capital improvement plan.	1,6
• Replace garage surveillance cameras at the end of their useful life.	1,6
• Replace outdated parking meter housings.	1,2

Major Budget Changes

Overall, the FY 2015-16 budget increased by \$827K when compared to FY 2014-15 with the vast majority of the increase coming from projects. Major position changes include the elimination of 5 vacant positions in the Parking Division. A new Parking Operations service model improved efficiencies and allowed for the elimination of 4.0 FTE Parking Operations Aides. Additionally, a vacant Department Technology Coordinator was eliminated in Parking as that Division will be supported by a 0.5 FTE Senior IT Technician in Information Technology. Salaries & Benefits decreased by \$133K and \$31K, respectively, due to eliminating 5.0 FTE's as noted above. These reductions were offset by negotiated cost-of-living salary increases, merit increases and increases in retirement costs and worker's compensation along with a net decrease in interdepartmental and reimbursements. Professional Service increased by \$106K as budget for credit card processing fees for the Parking Division was moved out of Operational Supplies into this category to ensure consistency with other departments. Conversely, Operational Supplies went down by \$144K because of this move and reduced budget for office supplies across most divisions. Other decreases include reducing tree maintenance in parking lots and reduced TurboData fees due to lower volume after burning off old outstanding collections in Parking. ED&H pays for services and support provided by the City's Information Technology Department. The methodology used to allocate IT costs changed in FY 2015-16, resulting in a total increase of \$94K or 78.27% overall to the department. As noted above, a contributing factor to the increase was the addition of 0.5 FTE Senior IT Technician to support Parking. Subrecipient Funding increased by \$60K, as the Department will partner with the County to fund administration for the HCA Program, which assists residents with rent, mortgage payments and security deposits. The overall increase also includes a (\$20K) reduction in funding for the Winter Shelter. Indirect Costs include City-wide overhead for support services such as HR, accounting, payroll, facilities and building maintenance. For FY 2015-16, these costs are slated to grow by \$62K or 17.49%. The greatest change for the Department occurs in the Project Budget, which increased \$818K (48.65%). The main driver is a City Council-directed project to install solar photovoltaic energy systems on parking garage rooftops for \$1.5M. This project is funded by Parking Reserves and is expected to reduce energy costs in the garages by over \$1M in its 20-year life span, and is estimated to meet 11% of the City's 2020 greenhouse gas reduction emission reduction target. Excluding the Garage Solar Project, Parking projects decreased \$303K, as funding appropriated in prior years will be used to complete existing projects. Additionally, the Department did not budget for the Amgen Tour of California in its base budget, which reduced the project budget by \$350K. If the Tour does return to Santa Rosa, staff will return to Council to appropriate the funding.

Economic Development & Housing

Budget Summary

Expenditures by Program					
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Estimate	2014 - 2015 Budget	2015 - 2016 Request
Administration - ED & House	\$0	\$1	\$0	\$0	\$0
Parking Services O&M	\$4,001,404	\$4,151,116	\$3,695,707	\$4,526,674	\$4,396,281
Parking Services Enforcement	\$796,315	\$900,981	\$859,223	\$994,652	\$1,046,111
Neighborhood Revitalization	\$204,140	\$226,341	\$319,086	\$338,205	\$371,128
Economic Development	\$274,555	\$421,356	\$473,412	\$473,393	\$479,102
Homeless Services	\$522,410	\$600,499	\$550,033	\$701,197	\$746,041
Mobile Home Rent Control Ord.	\$51,162	\$67,474	\$58,782	\$106,759	\$110,930
CIP and O&M Projects	\$1,432,178	\$863,656	\$3,707,403	\$1,682,300	\$2,500,698
Total	\$7,282,164	\$7,231,424	\$9,663,646	\$8,823,180	\$9,650,291

Expenditures by Category					
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Estimate	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$2,486,820	\$2,505,113	\$2,282,828	\$2,756,376	\$2,623,236
Benefits	\$1,079,743	\$1,192,240	\$915,213	\$1,337,758	\$1,307,032
Professional Services	\$227,311	\$286,801	\$405,167	\$491,913	\$598,054
Vehicle Expenses	\$120,340	\$120,362	\$113,200	\$123,324	\$127,216
Utilities	\$133,456	\$131,712	\$151,302	\$175,090	\$174,244
Operational Supplies	\$226,363	\$269,488	\$310,566	\$326,731	\$182,265
Information Technology	\$87,249	\$113,636	\$120,431	\$120,434	\$214,698
Debt Service	\$541,474	\$533,409	\$509,690	\$509,690	\$513,500
Liab/Property Insurance	\$74,180	\$106,548	\$81,619	\$81,619	\$94,505
Other Miscellaneous	\$155,350	\$193,768	\$224,117	\$260,185	\$255,005
Subrecipient Funding	\$470,303	\$503,283	\$470,935	\$602,803	\$642,803
Indirect Costs	\$247,397	\$359,028	\$371,175	\$354,957	\$417,035
Capital Outlay	\$0	\$52,380	\$0	\$0	\$0
CIP and O&M Projects	\$1,432,178	\$863,656	\$3,707,403	\$1,682,300	\$2,500,698
Total	\$7,282,164	\$7,231,424	\$9,663,646	\$8,823,180	\$9,650,291

Economic Development & Housing

Expenditures by Fund					
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Estimate	2014 - 2015 Budget	2015 - 2016 Request
General Fund	\$0	\$1	\$0	\$0	\$0
Homeless Shelter Operations	\$522,410	\$600,499	\$550,033	\$701,197	\$746,041
EPA Brownfields Grant	\$2,957	\$0	\$95,881	\$0	\$0
Neighborhood Revitalization Pr	\$204,140	\$226,341	\$319,086	\$338,205	\$371,128
Mobilehome Rent Stabilization	\$51,162	\$67,474	\$58,782	\$106,759	\$110,930
Santa Rosa Tourism BIA	\$0	\$491,133	\$655,941	\$425,000	\$449,250
Economic Development Fund	\$604,235	\$432,630	\$1,589,448	\$823,393	\$479,102
Downtown BIA Fund	\$0	\$0	\$663	\$500	\$0
Parking District Fund	\$5,355,786	\$4,879,937	\$5,884,122	\$5,918,436	\$6,980,340
1998 Parking Refunding DS	\$541,474	\$533,409	\$509,690	\$509,690	\$513,500
Total	\$7,282,164	\$7,231,424	\$9,663,646	\$8,823,180	\$9,650,291

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	68.00	63.50	62.50	65.00	60.00

Performance Measures

Indicators	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15 Estimate
Economic Development				
Number of business visitations	9	27	29	34
Number of businesses assistance calls	300	336	346	378
Number of Economic Development webpage hits	71,323	157,212	161,352	173,298
Neighborhood Revitalization Program (NRP)				
Number of units inspected (Building and Fire) in NRP neighborhoods	1,061	1,321	1,176	1,100
Number of units passed (Building and Fire)	447	370	404	400
Number of total violations in NRP neighborhoods (Building and Fire)	774	980	772	800
Number of legal letters sent to landlords in NRP neighborhoods	18	10	17	20
NRP Special Events	14	9	13	15
NRP “Knock and Talks” to distribute information	600	680	562	600
Homeless Facilities				
Number of persons sheltered at Samuel Jones Hall 138-bed year-round shelter	1,017	838	619	800

Economic Development & Housing

Number of persons sheltered at Samuel Jones Hall 50-bed permanent winter shelter	N/A	N/A	327	450
Mobilehome Rent Control Ordinance				
Number of mobilehome parks under rent control	14	14	14	15
Spaces under mobilehome rent control	1,445	1,450	1,455	1,642
Parking Operations				
Number of parking permits issued	19,501	22,941	23,507	23,719
Number of hourly parking garage patrons served	342,022	380,600	439,564	443,520
Number of residential parking permits issued	1,559	1,588	1,735	1,751

Prior FY 2014-15 Accomplishments

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

Economic Development

- Launched Phase II of the *Out There SR* Destination Campaign including microsite, welcome wagon mobile recording and photo studio, and merchandise store. 1
- Promoted the Downtown including partnering with Parking on the Parking validation program and radio campaign, installation of new Shop Rosa banners, curating City's downtown web portal and interactive downtown shopping map, and supporting downtown Tree Lighting event. 1
- Continued Shop Rosa to encourage residents to shop local and promote the importance of the multiplier effect in the local economy through social media and marketing campaigns. Partnered with Sonoma County Go Local on Small Business Independent's Month. 1
- Provided Industry Cluster Support by attending the Beer, Cider and Distilleries conference, participated on the event planning committee, hosted a wastewater panel discussion, and introduced an *Out There SR* outreach table to promote entitlement services and City merchandise. 1
- Supported local entrepreneurial ecosystem events including sponsoring SoCo Nexus Regional Investment Summit, Go Local's Chow Down Hoe Down, Sustainable Enterprise Conference, Leadership Institute Social Equity work shop, County Economic Development Board Doing Business with Government Procurement Day, Community Action Partnerships Second Annual Business Convention and Sonoma County BEST Site Selector Conference. 1

Neighborhood Revitalization Program

- Partnered with property owners, nonprofit organizations, schools and neighborhood leaders in providing community activities such as the NRP Holiday Food Outreach Program, Fiesta Celebration at the Wells Fargo Center, Fair Housing Meeting at Sunset/Delport area, Posada and Holiday Gathering at West 9th, Citizen Police Academy in Spanish and Computer Literacy Classes. 5
- Submitted 5 administrative hearings on properties that had building and fire code compliance issues. These were discovered through inspections at focused neighborhoods in Olive/Corby, the Woods and Sunset. 5

Homeless Services

- Continued operation of Samuel Jones Hall Homeless Shelter. Year-round shelter beds were increased from 120 to 138. The winter shelter bed program became permanent, with 50 winter shelter beds, as a result of an updated Conditional Use Permit. 5

Economic Development & Housing

Mobilehome Rent Control Ordinance

- Continued to work with mobilehome park owners and residents under the City's Mobilehome Rent Control Ordinance, fully sustained by its own fees. The number of mobilehome parks subject to the Ordinance increased from 14 to 15, due to annexation of Sequoia Gardens Mobilehome Park. 6

Parking Operations & Maintenance

- Completed Parking Annual Report for FY 2013-14. 1,2
- Completed a revised Garage 5 structural assessment. 1,6
- Completed a Parking Demand Study to assist in evaluating long term parking needs for the downtown. 1
- Upgraded the coin collection process with secure collection vaults and secure coin collecting room. 1,2
- Successfully continued program to operate the City's parking garages on a 24-hour basis and perform round-the-clock patrols with City staff to improve facility security and achieve operational efficiencies. 1
- Continued partnership with Economic Development to market downtown, educate regarding parking options, and promote the parking validation program. 1
- Structural assessment of garages to support solar energy system to be completed by June 2015. 1

Parking Enforcement

- Implemented Pay by Phone mobile application pilot program 1
- Added a second AutoChalk (license plate recognition) vehicle to the Parking Enforcement fleet. 1,2
- Continued to provide parking enforcement services to the Railroad Square and Downtown metered parking zones, and six Residential Permit Zones. 1

Looking Ahead

Emerging issues that may need to be addressed in future budgets include:

- Coordinating the City's homeless response;
- Implementing Parking District economic development initiatives, including assisting with the SMART station parking plan;
- Implementing Parking asset maintenance, technology upgrades, and progressive parking policies;
- Providing economic development support to the downtown, including partnering with SMART to create a development program and ensure a positive visitor experience, and promoting the opening of the California Wine Museum;
- Promoting opportunities based on the Council's Economic Development Initiatives.

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Housing Authority

Mission

To ensure adequate, decent, safe and sanitary housing for qualified people within Santa Rosa consistent with Federal, State, and local law.

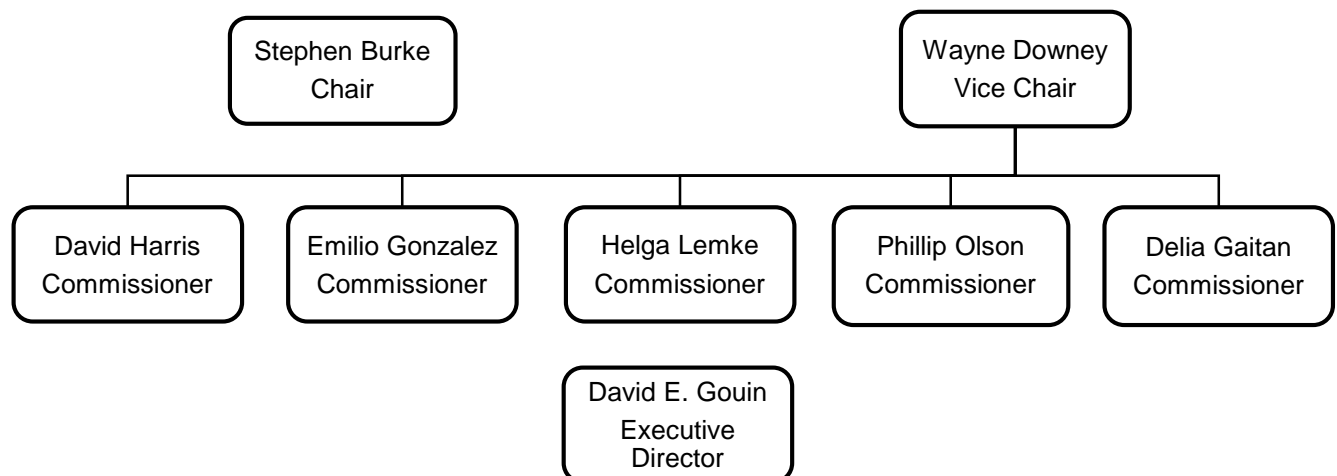
Department Description

The Economic Development & Housing Department supports the Housing Authority (Authority) entity, and consists of two divisions, the Santa Rosa Housing Trust and the Housing Choice Vouchers Division, which perform the Authority's core services. All of the Authority's programs are responsible for improving the quality and affordability of housing in the City. The target population is very low- and low- income households, and different housing programs utilize different income eligibility guidelines.

Santa Rosa Housing Trust (SRHT) – The Santa Rosa Housing Trust (SRHT) manages Loan Portfolio Services and Grant Management, and Affordable Housing Programs for the City. These programs maximize and leverage available Federal, State, and local funding to assist in the development and financing of affordable housing programs; conversion, preservation and rehabilitation of affordable housing; and the acquisition and development of facilities for the physically and developmentally disabled. The Authority also funds community-based non-profit agencies in support of homeless and housing services programs, and assists first-time homebuyers.

Housing Choice Vouchers – The Housing Authority provides rental assistance programs to very low-income clients by administering federal Housing and Urban Development Department (HUD) funded programs such as the Housing Choice Voucher program, HUD-Veteran's Affairs Supportive Housing (HUDVASH), Tenant Protection, Project Based, Family Self Sufficiency program, and Moderate Rehabilitation program. Clients need to meet the income requirements to qualify for these programs.

Housing Authority



Housing Authority

Strategic Goals and Initiatives for FY 2015-16

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

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| • Manage the City's affordable housing portfolio consisting of 500 contracts, an economic value of approximately \$100 million, and monitoring of affordability covenants for 3,000 units. | 5 |
| • Evaluate, originate, close, and manage loan disbursements for the development of new affordable housing units and the rehabilitation of existing affordable housing units. | 5 |
| • Facilitate the acquisition of existing housing units for preservation or conversion. | 5 |
| • Negotiate and administer contracts with developers participating in the Housing Allocation Plan, Density Increase, and Infill Policies. | 5 |
| • Monitor existing affordable rental units for compliance with income and rent restrictions. | 5 |
| • Provide rental assistance to at least 1,676 voucher holders to meet HUD's requirement to become a High Performing Agency, in a very tight rental market in the City. | 5 |
| • Provide outreach to make the Housing Choice Voucher program attractive to landlords and increase available units. | 5 |

Major Budget Changes

Overall, the FY 2015-16 budget increased by \$872K or 3.3% when compared to FY 2014-15. Major variances by category include the following: Salaries & Benefits increased by \$54K and \$66K, respectively, due to negotiated cost-of-living salary increases, merit increases, and anticipated increases in retirement costs and other benefits. Professional Services decreased by \$94K due to a reduction in Housing Choice Voucher (HCV) program for Port-In client expenditures (clients coming from other jurisdictions) based on current year and anticipated trends and a reduction in federal funding for Moderate Rehabilitation Program funding from HUD. The Housing Authority pays for services and support provided by the City's Information Technology Department. The allocation methodology to allocate IT costs changed in FY 2015-16, resulting in a total increase of \$83K or 64.9% overall. Other Miscellaneous Expenses includes the funding granted by HUD to provide rental assistance to low income residents, which increased by \$567K this year. This is offset by a reduction in federal funds for the Mod Rehab program (\$27K) and the Authority's share of the payment for City-wide accounting software (\$25K). Loan Activity increased by \$387K as the department is utilizing available resources to fund loans for affordable housing construction, conservation, and preservation. Indirect Costs include City-wide overhead for services such as accounting, payroll, facilities, and building maintenance; for FY 2015-16, these costs are slated to decline by \$142K or (8.2%), with the main decrease coming in financial services as the Department takes on more of the functions. CIP and O&M Projects are scheduled to increase by \$24K which reflects an increase in funding for the CDBG Homeless Program.

Housing Authority

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Administration - ED & House	\$1,003,104	\$1,059,458	\$1,076,802	\$1,013,604
Housing Choice Vouchers	\$18,222,159	\$18,684,225	\$21,334,957	\$21,834,283
SRHT Portfolio Services & Grant	\$519,527	\$449,421	\$392,078	\$404,359
SRHT Afford Housing Program & Financing	\$4,439,145	\$1,481,186	\$3,730,920	\$4,130,503
Other	\$6,049	\$0	\$0	\$0
CIP and O&M Projects	\$185,555	\$209,877	\$175,060	\$198,980
Total	\$24,375,539	\$21,884,167	\$26,709,817	\$27,581,729

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$1,325,234	\$1,378,048	\$1,407,725	\$1,461,761
Benefits	\$567,231	\$574,313	\$634,072	\$700,027
Professional Services	\$2,930,535	\$2,778,979	\$3,443,799	\$3,349,500
Vehicle Expenses	\$10,507	\$12,138	\$39,720	\$31,720
Utilities	\$4,253	\$5,256	\$7,250	\$7,403
Operational Supplies	\$34,847	\$29,975	\$99,213	\$95,735
Information Technology	\$90,319	\$114,598	\$128,397	\$211,690
Debt Service	\$50,000	\$0	\$0	\$0
Liab/Property Insurance	\$15,249	\$14,157	\$12,970	\$14,237
Other Miscellaneous	\$17,390,197	\$14,681,012	\$16,257,378	\$16,761,168
Subrecipient Funding	\$32,400	\$32,400	\$36,000	\$36,000
Loan Activity	\$0	\$286,711	\$2,742,140	\$3,129,388
Indirect Costs	\$1,739,212	\$1,766,703	\$1,726,093	\$1,584,120
CIP and O&M Projects	\$185,555	\$209,877	\$175,060	\$198,980
Total	\$24,375,539	\$21,884,167	\$26,709,817	\$27,581,729

Housing Authority

Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Housing Operations Fund	\$1,003,104	\$1,059,458	\$1,076,802	\$1,013,604
Operating Reserve Fund	\$32,532	\$32,400	\$97,100	\$136,574
Housing Choice Voucher Program	\$18,129,562	\$18,583,083	\$21,189,414	\$21,703,572
1980 Moderate Rehabilitation A	\$103,092	\$103,842	\$145,543	\$130,711
Brookwood Property	\$571	\$686	\$8,073	\$8,663
Community Development Block Grant	\$2,092,380	\$785,254	\$1,539,990	\$1,348,536
Rental Rehabilitation Fund	\$0	\$26,952	\$13,046	\$0
Housing Grant Fund	\$50,000	\$0	\$10,280	\$48,602
Real Property Transfer Tax Fun	\$31,720	\$131,825	\$444,221	\$419,074
Southwest Low/Mod Housing Fund	\$85,014	\$80,819	\$337,383	\$851,734
Rental Housing Construction	\$1,843	\$0	\$0	\$0
Low and Moderate Income Housing	\$55,471	\$176,841	\$173,298	\$478,475
HA Gateways Low Mod Fund	\$84,651	\$0	\$0	\$0
HOME Fund	\$1,578,721	\$332,378	\$586,835	\$518,862
Mortgage Revenue Bond Fund	\$50,148	\$28,584	\$19,269	\$0
Housing Compliance Fund	\$285,333	\$258,472	\$118,555	\$120,495
Housing Impact Fee Fund	\$791,397	\$283,573	\$950,008	\$802,827
Total	\$24,375,539	\$21,884,167	\$26,709,817	\$27,581,729

Performance Measures

Service Indicators	FY 2011-12	FY 2012-13	FY 201314	FY 2014-15 Estimate
Santa Rosa Housing Trust				
Number of new affordable housing rental and ownership units completed	140	16	66	47
Very Low Income units	111	0	8	11
Low Income units	28	10	47	34
Moderate Income units	1	6	11	2
Number of new affordable rental housing units preserved	50 (includes 15 special needs beds)	7 (includes 57 special needs beds)	399 (includes 0 special needs beds)	0
Number of new affordable rental and ownership housing units in the pipeline	569	517	407	444
Very Low Income units	185	192	204	200
Low Income units	384	325	203	244
Number of affordable ownership units transferred title	2	8	5	8
Number of owner-occupied affordable housing units rehabilitated or financed	6	2	0	0
Number of investor/developer affordable rental housing units rehabilitated	56	0	0	153

Housing Authority

Number of units receiving housing accessibility modifications	2	7	3	3
Number of affordable housing rental units monitored	2,324	2,597	2,714	2,690
Number of owner-occupied housing units monitored	293	288	308	302
Homeless and Community Services				
Consolidated Plan for CDBG & HOME funds (2009-2014 and 2014-2019)	✓	✓	✓	✓
Action Plan for CDBG & HOME funds	✓	✓	✓	✓
Consolidated Annual Performance Report (CAPER) for CDBG & HOME funds	✓	✓	✓	✓
Number of homeless and housing services contracts	5	5	6	7
Amount of funding for homeless and housing services	\$679,763	\$677,763	\$736,763	\$768,016
Number of persons sheltered at Family Support Center (facility has long-term shelter clients and emergency shelter clients), providing meals, clothing, children's programs, employment services, life skills training, and individualized case management	661	430	437	450
Number of persons served at Homeless Services Center, a multi-service day center providing showers, laundry, telephone, mail, information and referrals	1,956	1,578	1,894	1,800
Housing Choice Voucher Program (Rental Housing Assistance)				
Number of Housing Choice Voucher Rentals (Vouchers and Port-Ins)	1,850	1850	1950	1950
Number of Housing Choice Vouchers	1,585	1,632	1705	1838
Number of landlords participating in program (all figures approximate)	660	815	750	650
Number of Port-Ins	280	320	280	250
Amount budgeted from HUD	\$15,674,746	\$19,743,916	21,214,316	\$21,720,036

Housing Authority

Prior FY 2014-15 Accomplishments

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

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| • The Santa Rosa Housing Trust (SRHT) activities resulted in \$4.6 million committed by the Housing Authority to assist the development of 78 new affordable rental housing units, the rehabilitation of 118 existing affordable rental housing units, and the acquisition and preservation of an emergency homeless shelter, a homeless services day center, and six existing affordable rental housing units. | 5 |
| • SRHT activities resulted in the completion of 47 new affordable housing units, including 41 affordable rental housing units under the Low Income Housing Production Program and 6 affordable ownership housing units under the Housing Allocation Plan. | 5 |
| • SRHT activities resulted in the rehabilitation of 102 existing affordable rental housing units. | 5 |
| • SRHT facilitated re-syndication and refinance for the rehabilitation and preservation of 51 existing affordable rental housing units. | 5 |
| • SRHT administered the implementation of a \$3.8M State grant to assist the financing of first-time homebuyer loans for purchase of 60 affordable self-help ownership housing units. | 5 |
| • SRHT activities resulted in the award of a \$782K State grant to provide rehabilitation loans to Very Low and Low Income owners of manufactured homes (mobilehomes). | 5 |
| • SRHT administered contracts with four non-profit organizations for homeless and housing services. | 5
6 |
| • The Housing Choice Voucher Program was able to secure an extra 61 vouchers for 2014 for the HUDVASH program to help homeless veterans which brings the total HUDVASH vouchers to 296. | 5 |
| • The Housing Choice Voucher received another Family Self Sufficiency Grant in the amount of \$66,856 for FY 2014-15. | 5 |
| • The Housing Choice Voucher Program received for the 9 th year the “2014 Housing Choice Voucher Program High Performer Award” from HUD. This award enables the housing authority to compete for extra vouchers and grants available. | 5 |

Looking Ahead

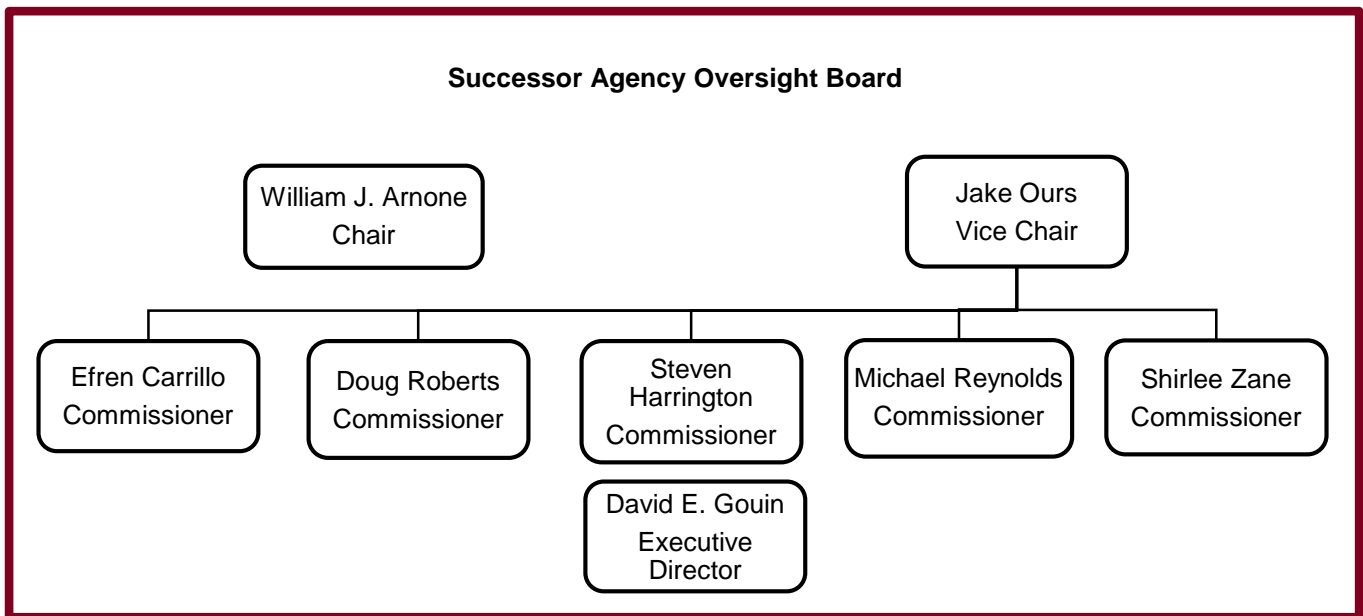
Emerging issues that may need to be addressed in future budgets:

- Identifying options for ongoing, sustainable affordable housing local match funding.

Successor Agency to the Former Redevelopment Agency

Description

On February 1, 2012, the Redevelopment Agency was dissolved in compliance with California State ABx1 26. The City Council elected to become the Successor Agency to the Former Redevelopment Agency. An Oversight Board, as specified by ABx1 26, was appointed to oversee the dissolution of the former Redevelopment Agency assets over the life of existing valid funding agreements, contracts, and projects. The Oversight Board members are noted below.



Strategic Goals and Initiatives for FY 2015-16

- Maintain existing valid funding agreements and projects as presented on the Recognized Obligation Payment Schedule (ROPS), which is prepared twice annually, and must be approved by the Successor Agency and Oversight Board before being submitted to the State Department of Finance for approval.

Successor Agency to the Former Redevelopment Agency

Major Budget Changes

Overall, the FY 2015-16 budget increased by \$1.1M or 24.0% when compared to FY 2014-15. Major variances by category include the following: Salaries & Benefits increased by \$50K and \$24K, respectively as these charges were budgeted in projects prior to FY 2015-16. Professional Services increased by \$100K for litigation expenses related to the Redevelopment Agency dissolution; these charges were budgeted in the Finance Department prior to this year. Debt Service increased by \$1.0M to make payments toward three City General Fund loans, after receiving a favorable court ruling designating the loans as enforceable obligations under the redevelopment dissolution guidelines. The Successor Agency pays for services and support provided by the City's Information Technology Department. The allocation methodology to allocate IT costs changed in FY 2015-16, resulting in a total increase of \$14K. Other Miscellaneous Expenses increased by \$126K to cover other administrative costs to support the Successor Agency; again, prior to FY 2015-16, these charges were budgeted in projects. CIP and O&M Projects are scheduled to decrease by \$244K as the Successor Agency administration allowance is now budgeted in other expense categories as noted above.

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Redevelopment Dissolution	\$5,115,914	\$4,396,447	\$4,386,409	\$5,741,501
CIP and O&M Projects	\$184,301	\$1,191,505	\$243,637	\$0
Total	\$5,300,215	\$5,587,952	\$4,630,046	\$5,741,501

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$63,923	\$0	\$0	\$50,440
Benefits	\$26,121	\$0	\$0	\$24,046
Professional Services	\$38,721	\$57,480	\$12,060	\$112,070
Utilities	-\$2,839	\$0	\$0	\$0
Information Technology	\$6,691	\$0	\$0	\$14,057
Debt Service	\$4,971,757	\$4,332,017	\$4,367,986	\$5,405,265
Liab/Property Insurance	\$7,478	\$6,950	\$6,363	\$6,181
Other Miscellaneous	\$5	\$0	\$0	\$126,238
Indirect Costs	\$4,057	\$0	\$0	\$3,204
CIP and O&M Projects	\$184,301	\$1,191,505	\$243,637	\$0
Total	\$5,300,215	\$5,587,952	\$4,630,046	\$5,741,501

Successor Agency to the Former Redevelopment Agency

Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
2002A Southwest Debt Service	\$689,719	\$693,291	\$691,071	\$0
2005A Southwest DS Tax Exempt	\$879,838	\$869,900	\$874,000	\$0
2005B Southwest DS Taxable	\$166,228	\$170,305	\$168,996	\$0
2005A COPs Debt Service (SRC)	\$134,998	\$136,954	\$138,605	\$0
2005B COPs Debt Service (SRC)	\$1,337,976	\$1,355,236	\$1,379,340	\$0
2008 Southwest HsgLoan DS Txbl	\$866,681	\$810,510	\$820,138	\$0
2008 SRC/GB Hsg Loan DS Txbl	\$896,337	\$295,841	\$295,836	\$0
Gateways General Fund	\$95,793	\$114,846	\$243,637	\$0
Gateways Project Fund	\$157	\$9,102	\$0	\$0
Southwest General Fund	\$105,844	\$31,744	\$7,460	\$0
SRC Low/Mod Housing	\$0	\$38,400	\$0	\$0
SRC/GB General Fund	\$114,534	\$1,061,823	\$10,963	\$0
Third Implementation Agrmnt-GF	\$7,773	\$0	\$0	\$0
2005B Southwest Bonds Construc	\$79	\$0	\$0	\$0
2005 Reimbsmt Agreement-GF	\$4,258	\$0	\$0	\$0
SA RDA Oblig Retirement Fund	\$0	\$0	\$0	\$5,741,501
Total	\$5,300,215	\$5,587,952	\$4,630,046	\$5,741,501

Prior FY 2014-15 Accomplishments

- Complied with the requirements of ABx1 26 and AB1484 to dissolve the Santa Rosa Redevelopment Agency as of February 1, 2012. Prepared all required Recognized Obligation Payment Schedules (ROPS).

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Finance

Mission

As the fiscal steward of the City's resources the Finance Department provides excellent customer service, as well as ethical oversight and management of public funds.

Department Description

The Finance Department is responsible for providing a variety of financial and support services to the City organization, as well as the business community and general public. The Department is divided into four programs in addition to the department's General Administration: Accounting Services, Payroll and Benefits, Purchasing and Revenue.

Accounting Services – Is divided into two sections that provide accounting and financial management to City departments, the Housing Authority and the Successor Agency to the Former Redevelopment Agency: Financial Reporting, Treasury, and Budget and Financial Planning. This division prepares and publishes various Federal and State mandated reports including but not limited to the City's Comprehensive Annual Financial Report (CAFR), the City's Annual Operations and Maintenance Budget Report and the Annual Capital Improvement Program Budget Report. Additionally, there is a fiscal year annual audit performed by an outside firm of certified public accountants. The Accounting Services section also provides City departments professional accounting and financial reporting services. This requires daily contact with various City personnel at all levels within the organization. These services range from answering questions concerning an accounting or budgeting problem to representing the City organization when responding to a federal or state agency.

Payroll and Benefits – Maintains the City's payroll and timekeeping systems and produces all payments for the various employee benefit programs. This requires producing both a bi-weekly and monthly payroll and reconciling and paying monthly benefit costs. There are several outside reporting requirements of payroll-related information to federal and state agencies that occur bi-weekly, monthly, quarterly and annually. Additional tasks performed by this division are the management of the City's deferred compensation program, the administration of various uniform programs, tracking and billing for leaves of absence, performing labor costing analysis and preparation of the City-wide labor and benefits budget.

Purchasing – Includes the Warehouse as well as Accounts Payable and Contract Management Services. The division provides purchasing, procurement, surplus disposal, purchasing cards, public requests for information and warehousing support to the entire City organization in addition to processing all the accounts payable requests relating to contracts, purchase orders, field requisitions and miscellaneous payments. Contracts are monitored for adherence to insurance requirements and to ensure payments are properly documented and the requirements of the federal and state laws are satisfied.

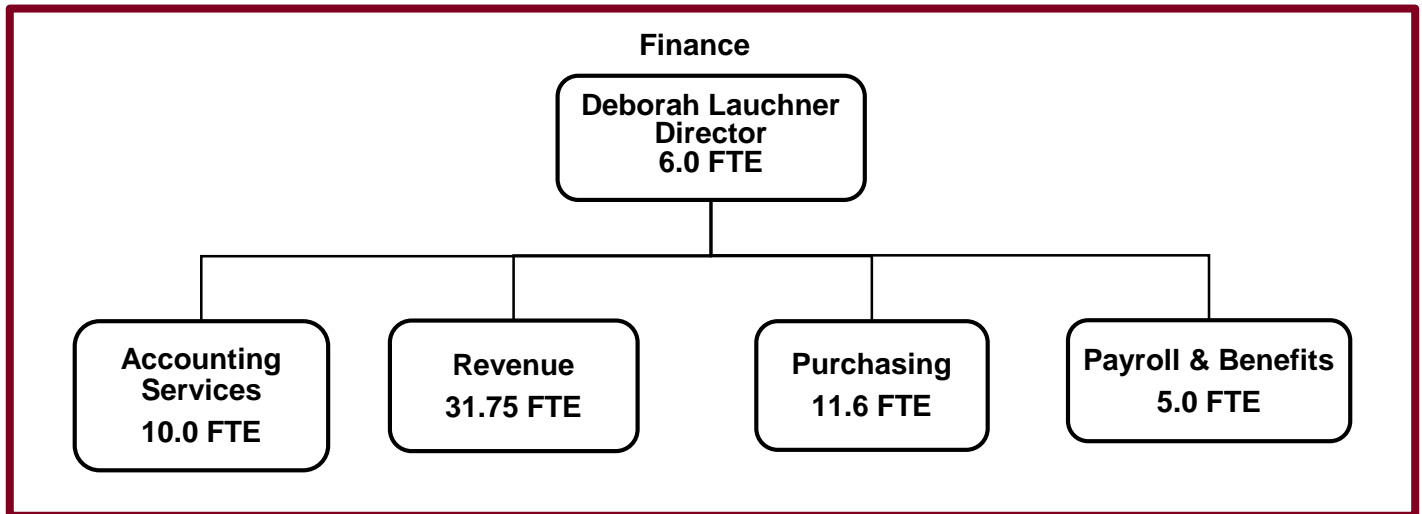
Materials, supplies, equipment, and services are procured through a centralized purchasing system directed by the City Purchasing Agent. Major public works contracts are managed by the Transportation and Public Works, Recreation & Parks, and Utilities Departments while minor and some major public works projects may be awarded through central purchasing. The individual departments needing services manage the procurement of Professional Services. As Purchasing is a unit within Finance, it provides professional services procurements for this department. Purchasing delivers education, consultation, and process awareness to assist city-wide staff and the public on the methods, procedures and requirements associated with mandatory public purchasing practices.

Revenue – Includes business tax management and utility fee revenues; provides billing and collection services for City water and sewer utilities, City taxes, parking citations and miscellaneous receivables. This

Finance

section includes reading all the water meters in the City each month, performing a variety of customer outreach for issues such as excessive water use, and preparing and reviewing outgoing bills. Collection duties are also performed for delinquent utility accounts.

FTE by Program



Strategic Goals and Initiatives for FY 2015-16

(Numbers at right show relation to City Council Goals; see Council Goals Section)

Administration

- Continue evaluating ways to streamline processes and procedures to increase efficiencies and maintain compliance with Federal and State laws and mandates 2

Accounting Services – Budget and Financial Reporting

- Redesign the Long Range Financial Plan 1

Payroll

- Implement required tracking and reporting related to the Affordable Care Act 2
- Implement payroll system changes needed to accommodate AB1522, the new Paid Sick Leave Law 2
- Implement payroll system changes needed to accommodate CalPERS cost sharing for 16 bargaining units 2
- Improve payroll reports and drilldowns, increase ease-of-use 2
- Perform an FLSA audit, address any needed compliance issues 2

Purchasing

- Present Local Preference action plan to City Manager for review and approval then move forward with approved action plan 1
- Manage the process to integrate City purchasing into a single electronic venue that results in bids, outreach and processes are all equally tracked, documents and completed with the utmost transparency 1, 2
- Develop a citywide process for PSA RFP Projects that results in a uniform process for RFP development, training, scoring, protest language, records management and opportunity tracking with a streamlined process and transparency 2

Major Budget Changes

The FY 2015-16 Finance Department budget is \$9.3M, up \$233K or 2.6% over the prior year's adopted budget. The FY 2015-16 staffing count reflects the elimination of the vacant Financial Reporting Manager position and the addition of two administrative support positions, Administrative Technician and Senior Administrative Assistant. This reorganization will provide much needed administrative support across the department's various divisions. To accommodate the continued increase in purchasing department workloads, the addition of a Purchasing Technician position was funded via operational supplies cost savings.

Salary and benefits increased by \$463K due to City Council approved increases in the existing labor agreements. However, a significant portion of this increase was offset by the elimination of funding for the RDA litigation project (\$190K) which had been previously included in the Finance budget in FY 2014-15. All other categories of expenditures had minor increases and decreases without any impact on the overall Finance budget.

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Administration	\$1,024,742	\$1,006,228	\$1,129,135	\$1,361,974
Purchasing	\$856,238	\$831,796	\$954,468	\$997,632
Accounting Services	\$2,054,961	\$2,181,921	\$2,283,802	\$2,347,366
Revenue	\$3,446,003	\$3,549,920	\$3,925,704	\$4,041,427
Payroll and Benefits	\$480,718	\$491,335	\$530,840	\$538,721
CIP and O&M Projects	\$19,942	\$79,756	\$255,000	\$25,000
Total	\$7,882,604	\$8,140,956	\$9,078,949	\$9,312,120

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$3,926,504	\$4,031,771	\$4,272,050	\$4,494,878
Benefits	\$1,650,766	\$1,691,105	\$1,899,128	\$2,139,447
Professional Services	\$1,222,497	\$1,290,656	\$1,391,289	\$1,419,186
Vehicle Expenses	\$70,409	\$68,987	\$94,301	\$89,206
Utilities	\$5,547	\$4,793	\$8,310	\$7,245
Operational Supplies	\$414,845	\$365,890	\$482,634	\$411,595
Information Technology	\$495,793	\$508,255	\$538,747	\$583,845
Other Miscellaneous	\$76,301	\$90,063	\$137,490	\$141,718
Capital Outlay	\$0	\$9,680	\$0	\$0
CIP and O&M Projects	\$19,942	\$79,756	\$255,000	\$25,000
Total	\$7,882,604	\$8,140,956	\$9,078,949	\$9,312,120

Finance

Expenditures by Fund				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Fund	\$7,750,463	\$7,971,932	\$8,905,949	\$9,120,120
Capital Improvement Fund	\$1,660	\$15,833	\$0	\$0
ARP Capital Lease Fund	-\$27,214	\$0	\$0	\$0
Pooled Investment Fund	\$157,695	\$153,191	\$173,000	\$192,000
Total	\$7,882,604	\$8,140,956	\$9,078,949	\$9,312,120

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	62.85	63.85	62.85	62.35	64.35

Prior FY 2014-15 Accomplishments

(Numbered circles at right show relation to City Council Goals; see Council Goals Section)

Administration

- Reclassified the Financial Reporting Manager position to two administrative support positions, an Administrative Technician and a Senior Administrative Assistant, to provide much needed support across the department's various divisions. 2

Accounting Services – Budget and Financial Reporting

- Received the Government Finance Officers Association (GFOA) Certificate of Achievement Award for the FY 2014-15 Budget.
- Produced and published the FY 2014-15 Operations and Maintenance Budget Report and the Comprehensive Annual Financial Report (CAFR)
- Completed a Budget Priorities Survey for a second year to encourage the community's engagement in the City's budget process 1
- Reallocated 20% of the City's investment portfolio to a higher yield investments while increasing the portfolio's overall duration, taking advantage of higher market yields resulting in significantly higher overall portfolio returns for the City. 1
- Successfully implemented citywide credit card terminal upgrade to EMV (Chip & Pin) ahead of the Oct 2015 compliance deadline. 1, 2

Payroll

- Implemented new MOU provisions including a new vacation accrual structure for 15 bargaining units
- Automated the Annual Government Census Report
- Added a Roth 457 to the City's deferred compensation program 2

Purchasing – Accounts Payable

- Implemented Phase One of the project to streamline processing of PG&E invoices via EDI files using a third party VAN (Value Added Network). 2
- Completed the conversion to online management of individual procurement card account statements and streamlining the payment processing 2

Revenue

- Major Utility Billing software upgrade to CIS V4 scheduled for April 20, 2015 which will make us the 2nd utility organization to use this advanced software worldwide 1
- Implemented Apple Pay and Google Wallet citywide which places the City at the peak of technological advancements in the area of credit card acceptance 1, 2

Looking Ahead

The Finance Department will continue to pursue and evaluate strategies to streamline processes and procedures to increase efficiencies, maintain compliance, and stay current with Federal and State laws and mandates. The Department will address the effect of the Roseland Annexation on the department's staffing levels, services and the impact to the budget.

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Fire

Mission

To minimize the loss of life and damage to property and the environment resulting from fires, medical emergencies, complex rescues, and disasters through prevention, education, fire suppression, medical services, and other related emergency and non-emergency activities.

We actively participate in our community, serve as role models and strive to effectively and efficiently utilize all of the necessary resources at our command to provide a service deemed excellent by our citizens.

Department Description

The Fire Department has four major programs: Administration, Prevention, Operations and Measure O.

Administration – Coordinates the preparation and monitoring of the Department's budget. Major activities include: personnel recruitment, conducting studies of departmental operations and efficiencies, formulating policies, rules and procedures, promoting life safety and environmental protection, providing administrative support to Fire Department personnel, contract negotiations and management, and representing the interests of the Department.



Fire Prevention – Our mission is to prevent and limit the spread of fire and to provide life safety through community safety education and the application and enforcement of regulations, codes and ordinances. The Division administers a number of programs such as plan review, inspections, fire investigations, Certified Unified Program Agency (CUPA), hazardous materials, weed abatement, vegetation management, and Community Outreach within the city and the Roseland Fire Protection District.

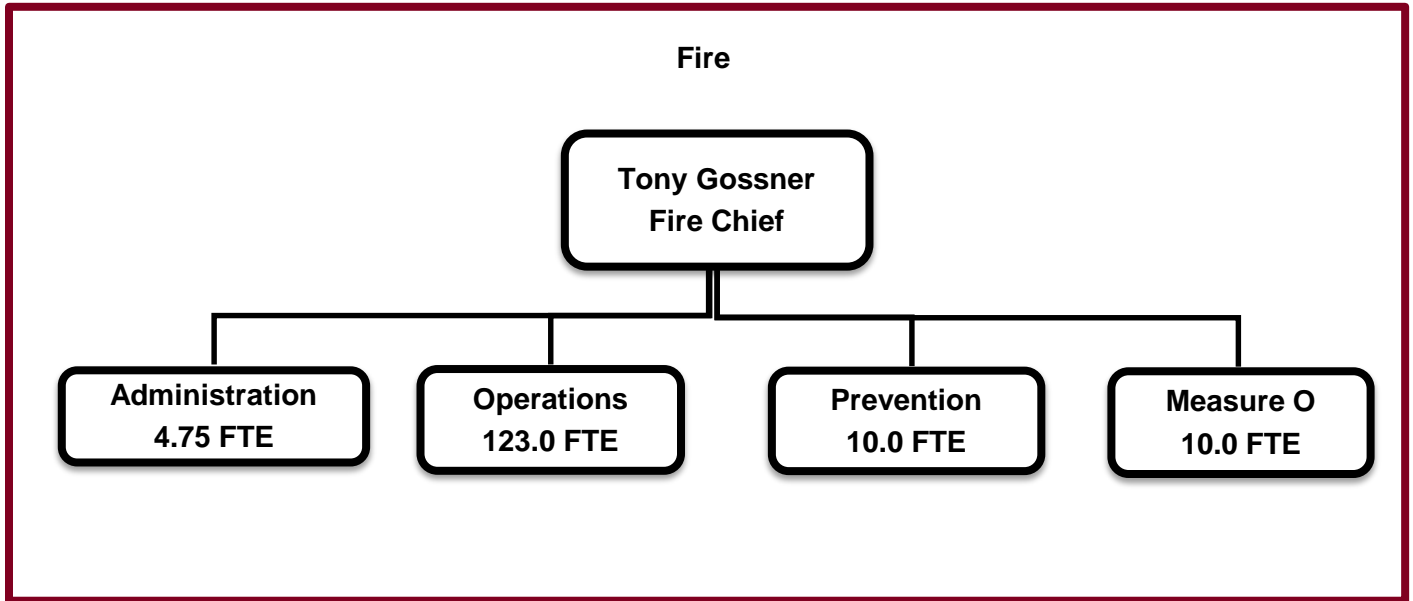
Operations – Responds to and mitigates emergency incidents within the city and Roseland Fire Protection District. Major services to the community include paramedic and emergency medical care, extinguishment of fires, technical rescue, mitigation of the effects from natural disasters, and hazardous materials containment. Training and safety programs are provided to all personnel to safely and proficiently deliver services to the citizens of Santa Rosa.



Measure O – Is an extension of Operations that funds staffing for nine paramedic fire operations staff, partial funding for the EMS Division Chief, one Training Captain and also includes funding for the construction of Station 5.

Fire

FTE by Program



Strategic Goals and Initiatives for FY 2015-16

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

- Contract for Services with Rincon Valley Fire Protection District – Goals 1, 2 and 6
- Roseland annexation and the support of services required – Goals 1, 2 and 6
- Analyze station relocations and construction of new fire station – Goals 2 and 6
- Train, develop and test new employees – Goals 2 and 6
- Support the City's new service hub – Goals 1, 2 and 6
- Continue to seek grant opportunities to enhance services – Goals 1 and 6
- Continue to support City-wide emergency preparedness through training and program analysis – Goals 1 – 6
- Enhance advanced life support capabilities by staffing all trucks with paramedics – Goal 6

Major Budget Changes

The Fire Department's budget is divided between Measure O, which is funded by its own revenue source, and Operations, Prevention and Administration, which are funded by the General Fund. Overall the department's budget increased by approximately 7.3% totaling \$2.4M between FY 2014-15 and FY 2015-16. This variance can mostly be attributed to a \$2.1M increase in Salary and Benefits as well as other small changes across the department. Fire had no changes to authorized position count in FY 2015-16; however two limited term positions (an Administrative Assistant in Fire Administration and the Emergency Preparedness Coordinator in Fire Prevention) were made permanent.

The vast majority of the Salary and Benefits increase took place in the General Fund, due partially to the winding down of the FEMA SAFER grant. In years prior this grant revenue had been supplementing staffing costs through the recession while General Fund revenues recovered. FY 2015-16 marks the first year since its inception that SAFER grant revenues are no longer offsetting the General Fund. Also affecting the Salaries and Benefits increase are both Regular Overtime and Contract Overtime which rose in total by \$732K due to increased demand for drought induced wild land fires. The General Fund service and supplies budget had no significant changes from last year.

The Measure O budget stayed relatively flat from FY 2014-15 to FY 2015-16, increasing overall by \$240K or 9%. The most notable change is an increase to budgeted Capital Outlay. FY 2015-16 anticipates \$260K will be spent on three Battalion Chief vehicles and equipment for Advanced Life Support. Measure O Professional Services declined in FY 2015-16 due to reduced estimated fees for sales tax audit services.

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Administration	\$995,922	\$1,239,034	\$1,209,360	\$1,310,484
Fire Prevention	\$1,399,832	\$1,464,061	\$1,762,530	\$1,756,148
Fire Operations	\$25,875,787	\$26,407,648	\$26,636,286	\$28,790,027
Measure O Fire	\$2,482,254	\$2,548,476	\$2,654,452	\$2,894,576
CIP and O&M Projects	\$1,757,710	\$3,745,910	\$1,105,804	\$1,052,179
Total	\$32,511,505	\$35,405,129	\$33,368,432	\$35,803,414

Fire

Expenditures by Category

	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$17,678,326	\$17,819,086	\$18,233,489	\$19,753,774
Benefits	\$10,063,252	\$10,053,932	\$10,634,884	\$11,229,426
Professional Services	\$1,041,482	\$1,052,819	\$1,191,288	\$1,172,700
Vehicle Expenses	\$566,527	\$677,056	\$604,125	\$640,331
Utilities	\$44,494	\$32,107	\$46,335	\$47,735
Purchase Water	\$0	\$128	\$0	\$0
Operational Supplies	\$411,675	\$312,770	\$355,296	\$382,174
Information Technology	\$403,581	\$524,428	\$515,826	\$583,612
Liab/Property Insurance	\$10,630	\$10,906	\$11,791	\$11,692
Other Miscellaneous	\$328,740	\$463,182	\$538,226	\$548,816
Indirect Costs	\$139,155	\$130,082	\$131,368	\$120,975
Capital Outlay	\$65,933	\$582,723	\$0	\$260,000
CIP and O&M Projects	\$1,757,710	\$3,745,910	\$1,105,804	\$1,052,179
Total	\$32,511,505	\$35,405,129	\$33,368,432	\$35,803,414

Expenditures by Fund

Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Fund	\$29,652,487	\$31,414,229	\$30,131,830	\$32,416,891
Measure "O" - Fire	\$2,482,254	\$2,548,476	\$2,654,452	\$2,894,576
Administrative Hearing Fund	\$0	\$0	\$10,000	\$10,000
Environmental Crimes Investiga	\$0	\$0	\$10,000	\$10,000
Capital Improvement Fund	\$376,764	\$1,442,424	\$562,150	\$471,947
Total	\$32,511,505	\$35,405,129	\$33,368,432	\$35,803,414

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	136.75	137.75	143.75	147.75	147.75

Performance Measures

Indicators	FY 2012-13	FY 2013-14	FY 2014-15
Budgeted Sworn Personnel	129	133	133
Population	168,841	168,841	170,093
Number of Incidents	21,554	22,322	23,931
Fire Loss	\$3,166,321	\$3,098,755	\$3,437,205
On Scene within 5 Min, council goal is 90%	72%	69%	74%
Civilian Fire Fatalities	1	0	2
Engine Company Inspections	2,533	2,440	2,508
Fire Inspector Inspections	613	686	501
CUPA Inspection	392	357	406
Construction Inspections	1,234	1,912	1,682
Plan Reviews	1,099	1,236	1,257
Total Number of Inspections	5,871	6,631	6,354

Prior FY 2014-15 Accomplishments

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

- | | |
|--|----------------|
| • Completion of Station 5 located at 2201 Newgate Court. | 6 |
| • Promotions: Fire Chief, Deputy Chief, Fire Marshal, Battalion Chief, three captains, three Engineers and an Assistant Fire Marshal. | 2 |
| • Recruitment and hiring of six Fire Fighter/Paramedics, Emergency Preparedness Coordinator, Assistant Fire Marshal, Research and Program Coordinator, Senior Administrative Assistant, and part time Community Outreach Specialist. | 2 |
| • Reorganization of the Fire Prevention Bureau. | 2, 6 |
| • FEMA grant for wild land urban interface education. | 1, 2, 6 |
| • FEMA grants for enhancements to the emergency preparedness program. | 1, 2, 6 |
| • FEMA grant for a driving simulator (training tool for Fire, Police and various City departments). | 1, 2, 6 |
| • FEMA grant for Fire Ground Safety and Survival Train-the Trainer Program | 1, 2, 6 |
| • Purchase of four new Type 1 Engines | 6 |
| • Purchase of one tractor drawn aerial (ladder truck) | 6 |

Looking Ahead

The Fire Department is analyzing a contract for services with Rincon Valley Fire Protection District, support the annexation of Roseland, the construction of Station 9 and the possible relocation of Station 8. These are the forward-looking goals for service enhancements for our citizens.

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Human Resources

Mission

The mission of Human Resources is to deliver innovative and timely Human Resource services and leadership enabling the City of Santa Rosa to provide world-class services to our diverse community. We accomplish our mission by attracting and hiring talent; creating and enhancing opportunities for career growth; providing an inclusive workplace environment; and offering competitive salaries and benefits.

Department Description

Human Resources – Faced with the challenge of the continued retirements of employees, the Department plans, conducts and oversees the recruitment, hiring and position transitions of qualified staff and strives to reflect the diversity in our community. The Department works to provide a healthy environment to retain and develop staff through diverse benefit plans, employee training and development programs, and excellent employee relations resources including coaching, facilitation and mediation services. The Department also manages, in the most responsible manner possible, the complex personnel transitions occurring due to departmental succession planning and the continuing retirements of valuable staff.

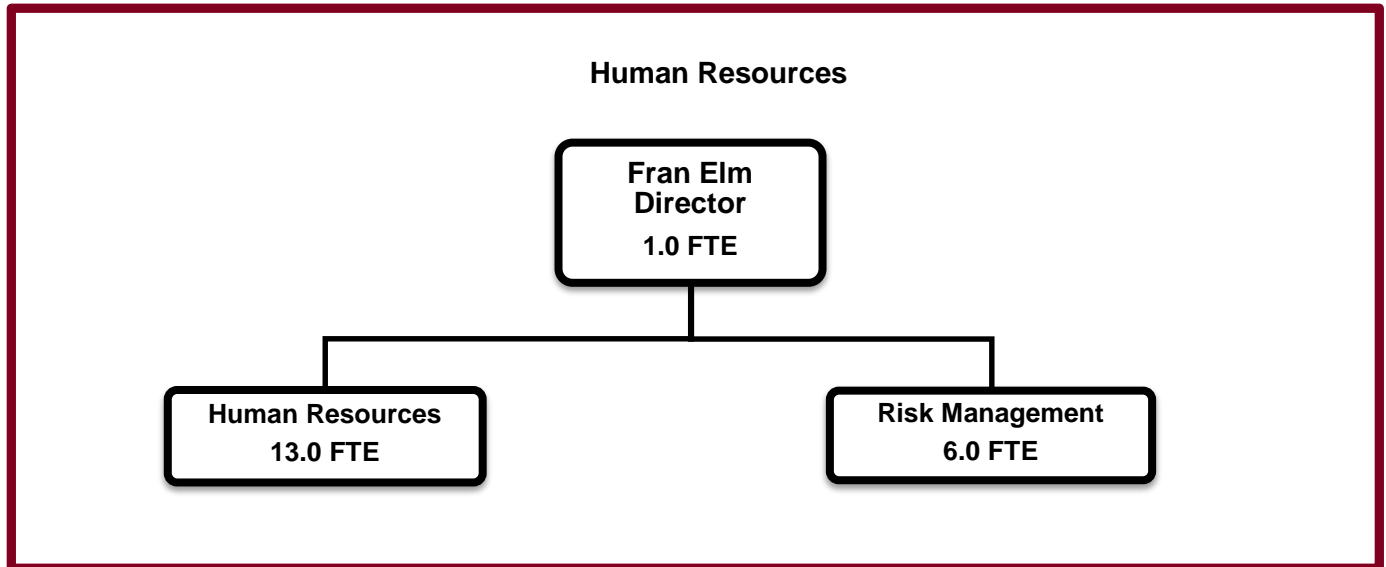
The Department monitors and advises departmental managers and supervisors on the full array of human resources issues including department reorganizations, performance management, conflict resolution, contract and policy interpretation, classification and compensation, grievances, harassment and discrimination complaints.

In addition, the Department negotiates labor contracts with bargaining units; administers current contracts; participates in on-going labor/management problem-solving committees addressing significant issues raised during and after negotiations; conducts thorough, responsive investigations to claims of discrimination; supports departments in conflict analysis and resolution, restructuring, customer service, team development; encourages constructive communication; and supports change management and other organizational development efforts, including initiatives to support an inclusive work environment.

Risk Management – Reviews activities of the City's wide variety of services and develops and maintains programs to minimize the City's exposure to risk; contains loss through proper risk management and control; provides a safe and healthful work environment for City employees; and promotes safety in the services provided to City residents by employees. This division administers the various insurance and risk control programs for employees such as employee safety, OSHA and workers compensation, as well as the City liability and property insurance programs, ADA compliance, and employee benefit programs.

Human Resources

FTE by Program



Strategic Goals and Initiatives for FY 2015-16

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

- Continue to prioritize the recruitment process to maintain City staffing and services.
- Continue to assist staff, departments and Council with department reorganizations, conflict resolution and staff development.
- Continue to define the compensation and classification structure of the City to attract and retain talent and to be more responsive to our internal customers.
- Continue to monitor and fine-tune the training systems available to the City.
- Prepare for and respond to mandates under the Affordable Care Act.
- Prepare for a data-driven negotiation cycle with most City bargaining units.
- Continue to administer the City-wide ADA transition plan.
- Implement a robust Wellness Program for all miscellaneous employees.

Major Budget Changes

The Human Resources Department is comprised of two funds – the General Fund and the Risk Management (Insurance) Fund.

Overall, the Department increased by 2.8% or \$849K from FY 2014-15 to FY 2015-16 which can be attributed to various areas across the two funds. In October of 2014 Council approved the elimination of the Employment Services Manager/Risk Manager position and reinstatement of two separate positions: the Employment Services Manager and the Risk Manager. In doing so the Department's FTEs increased by 1.0 from 19.0 to 20.0.

The General Fund portion of the Human Resources budget increased by 7.5%, or \$145K, from FY 2014-15 to FY 2015-16. Salaries and benefits increased due to the addition of 1.0 FTE as well as contracted salary increases and rising benefits costs. Overall Salaries and Benefits will increase for FY 2015-16 by \$136K. The remaining \$9K of General Fund Human Resources budget variance occurred for modest increases in Services and Supplies budgets, in particular Conferences and Training.

The Risk Management Fund budget is primarily status quo with very few changes. The total budget increase from FY 2014-15 to FY 2015-16 is 2.4% or \$703K mostly due to rising costs of health insurance premiums. In FY 2015-16 health insurance for both Safety and Miscellaneous employees increased by

Human Resources

approximately 4.0%, or \$725K. Liability insurance also rose 8.3% or \$141K in 2015-16 partially because rate calculations are based on salary, but also due to a significant increase in bicycle and pedestrian injury cases against the City. These rising costs were offset by decreases in Worker's Compensation of (\$272K) and Earthquake insurance of (\$70K). Other miscellaneous insurance premiums had a total combined increase of \$84K, including \$150K for a Wellness Program for miscellaneous employees. Finally, Risk Management's budget increased from last year by \$84K in Salaries and Benefits and \$12K in Service and Supplies.

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Administration	\$1,542,602	\$2,039,617	\$1,928,295	\$2,073,549
Employment Services	\$4,828	\$0	\$0	\$0
Organization and Staff Devel	\$49	\$0	\$0	\$0
Employee Relations	\$2,815	\$9,054	\$0	\$0
Risk Management	\$23,609,522	\$24,034,789	\$28,824,700	\$29,528,010
CIP and O&M Projects	\$0	\$0	\$0	\$0
Total	\$25,159,816	\$26,083,460	\$30,752,995	\$31,601,559

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$1,431,177	\$1,515,928	\$1,548,448	\$1,691,802
Benefits	\$516,066	\$602,729	\$628,094	\$703,804
Professional Services	\$22,663,292	\$23,234,787	\$667,580	\$794,976
Vehicle Expenses	\$77	\$77	\$770	\$770
Utilities	\$1,586	\$1,556	\$1,450	\$1,450
Operational Supplies	\$28,781	\$24,065	\$23,905	\$23,905
Information Technology	\$142,654	\$131,343	\$141,103	\$146,210
Liab/Property Insurance	\$0	\$0	\$4,542	\$4,720
Other Miscellaneous	\$220,387	\$293,478	\$27,549,419	\$27,988,912
Indirect Costs	\$148,151	\$279,497	\$187,684	\$245,010
Capital Outlay	\$7,645	\$0	\$0	\$0
CIP and O&M Projects	\$0	\$0	\$0	\$0
Total	\$25,159,816	\$26,083,460	\$30,752,995	\$31,601,559

Human Resources

Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Fund	\$1,550,294	\$2,048,671	\$1,928,295	\$2,073,549
Risk Management Fund	\$23,609,522	\$24,034,789	\$28,824,700	\$29,528,010
Total	\$25,159,816	\$26,083,460	\$30,752,995	\$31,601,559

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	17.00	17.70	18.00	19.00	20.00

Performance Measures

Indicators	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	Estimated FY 2014-15
Number of Positions	1295.3	1226.5	1205.3	1220	1248
Applications Received	1,718	3,528	3,500	5,803	4750
Percentage of Applications Received On-line	88%	99%	99%	100%	100%
Recruitments Conducted	44	45	52	91	101
New Hires	34	52	87	85	105
Retirements, Resignations,	87	63	94	89	72
Turnover Rate	2.77%	4.31%	7.13%	7.40%	8.60%
Labor Contracts Open & Negotiating	12	12	11	9	9
Training Sessions Held	46	32	52	45	58
Job/Class Studies	15	12	19	29	38
Workers' Comp Cases & Incidents	174/135	176/102	188/131	185/143	175/135
Liability Claims & Events	89 /233	113/269	125/209	99/234	100/236

Prior FY 2014-15 Accomplishments

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

- Brought all negotiations to settlement bringing all units under contract.
- Developed objective selection methodology for comparable jurisdictions for use in negotiation process.
- Successfully integrated new managers and analysts into the department.
- Inclusion Council was one of two City service programs featured in the ICMA video on the City of Santa Rosa
- Implemented the Careers in Local Government Program in partnership with SRJC.
- Facilitated teambuilding and strategic planning sessions and retreats in various departments.

Human Resources

- The number of recruitments conducted by the Department increased by 75% from the prior year.

Looking Ahead

The Human Resources Department will strive to insure the vitality of the workforce and City services through an array of resources. The Employment Services Division will prioritize the recruitment of the best candidates to fill City positions. They will also work with departments to develop the workforce to meet the needs of the City in the years ahead. Our Organizational Development (OD) efforts will work to meet the training needs of existing employees as well as playing a major role in onboarding new hires and continue to provide a robust training program to include new workshops that meet the needs of the City workforce. OD will also continue to work with Council, departments and individuals to meet the challenge of change by mediating, facilitating and identifying potential OD projects that will have meaningful impact upon the organization. Employee Relations will work to prepare for the next negotiating cycle using the experiences from the last cycle as a knowledge base for success. Risk Management looks to address City liabilities in a prudent and productive manner to minimize loss and enhance safety.

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Information Technology

Mission

The Mission of the Information Technology Department is to develop, leverage and implement technology to make Government more efficient, transparent and responsive to Citizens. This also includes driving business efficiency through deployment of solutions at the mobile, desktop and core systems level.

Department Description

Information Technology (IT) operates as an internal service fund, meaning that the Department charges other City departments for services provided. The rates for the services are based on cost recovery. Costs include City personnel costs, costs for outside maintenance and professional support of City computer equipment and program software, providing technology related training to City personnel, telephone costs, and operational and maintenance equipment and supplies. There are five divisions in the IT Department.

Administration – Provides the overall strategy and administration for the Department, including franchising responsibility for video and cable services within the City of Santa Rosa and overall website administration for the City's website: srcity.org

Development – Provides strategy, leadership, analysis, and hands-on services for building new software systems and implementing large-scale City-wide software migration programs, while providing software application development, project management, and application support services. The division supports, enhances, and maintains over 70 in-house developed systems used by departments throughout the City, and also provides second-tier support for third party enterprise applications, including the core Finance/HR/Payroll system and the Utility Billing/Customer Information System. The Development division develops and maintains dozens of electronic interfaces between internal and external systems, migrates aging code to current technologies, and converts data for new migrations. The division is also responsible for system architecture definition, database design, application configuration, workflow development, and custom report writing for the various supported systems. Current projects include implementation of the Accela Automation permitting system, upgrading of the Utility Billing/Customer Information system, development of the Accounts Payable Electronic Invoices system, development of the Trust Affordable Housing Management system, Phase II implementation of the Fleet Management system, Phase II development of the Asset Tracking and Replacement system, migration of applications and technologies running on aging servers, and planning for the upgrade of the Finance/HR/Payroll system.

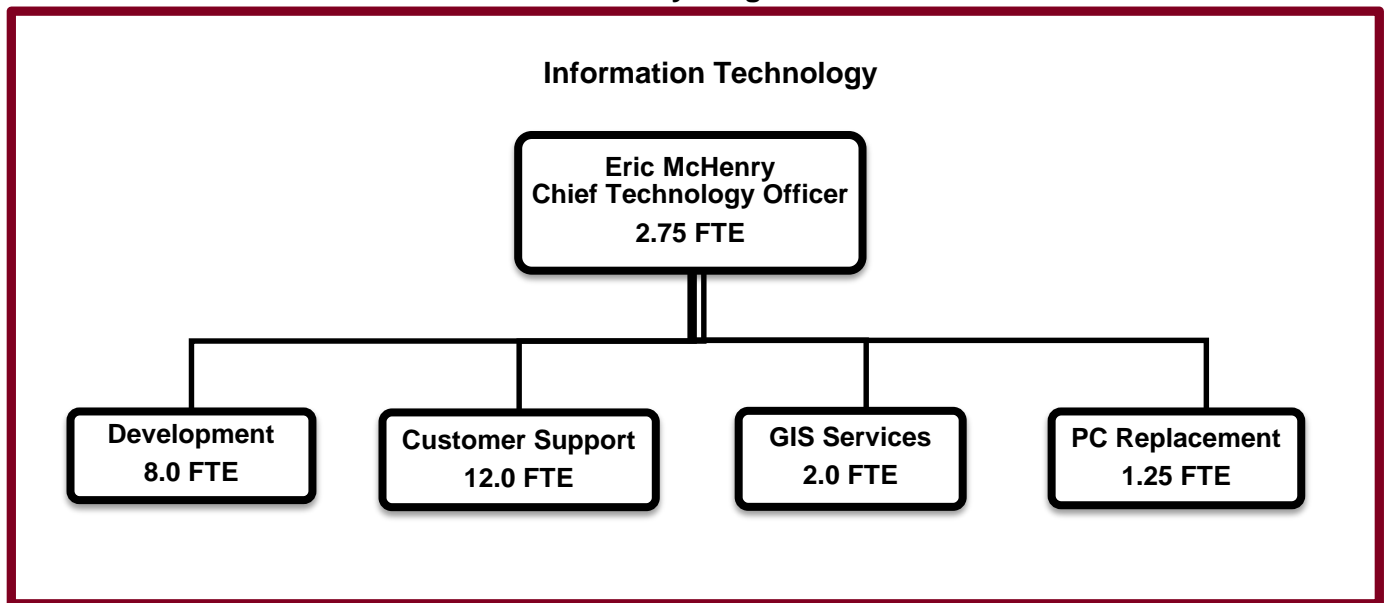
Customer Support – Provides the strategy and operations management of the core City data, storage, and telecommunication systems. The division also provides "Help Desk" support for all City employees (currently over 1,500 desktop units). The Help Desk is available to employees Monday through Friday, and responds to over 5,000 support requests each year. It completes the support of approximately 70% of the service calls, with the remaining calls being forwarded to development or technical staff. Technical Support within IT Operations includes the support of all voice communications, data communications, computer networks, and all peripheral equipment, i.e., printers and personal computers (PCs). The division supports 270 printers, over 1,200 PCs, roughly 180 servers, a City-wide computer network with 2,900 connections in over 60 City locations with hundreds of pieces of communications equipment, and a phone system that includes six separate switches and over 1,200 phone instruments.

Information Technology

GIS Services – The Geographical Information System (GIS) Services division provides coordination, support, and maintenance of the City's GIS system and GIS services for all departments. The City GIS group also works closely with Sonoma County GIS to support County-wide 911 dispatch. The GIS system is accessible by employees and the public.

PC Replacement – In 2013, the Information Technology Department implemented a City-wide PC replacement program aimed at consistent procurement and replacement of the 800+ City PC inventory. Prior to 2013, PCs were maintained by the IT Department, but budgeted, purchased and replaced on a department-by-department basis. The new centralized PC Replacement program now uses uniform and efficient processes developed specifically to rapidly procure, configure, deploy and recycle PCs.

FTE by Program



Strategic Goals and Initiatives for FY 2015-16

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

- Completion of the srcity.org redesign project.
- Launch Accela Automation permitting solution.
- Finalize mobile-friendly software development and hardware platforms.
- Develop plan for IT capital asset replacements.
- Deliver public-facing and staff technology solutions for the Santa Rosa ServiceHub.

Information Technology

Major Budget Changes

The FY 2015-16 Information Technology budget is \$6.746M, up \$552K or 8.9% over last year's adopted budget. The FY 2015-16 budget includes the addition of 1.0 FTE Senior IT Technician, 50% of which will be funded by the Parking department. With the significant growth and complexity of the City's IT networks, the additional Senior IT Technician is needed to help maintain network security, implement and upgrade critical hardware and software applications, and provide network and server maintenance. Salaries and benefits increased a total of \$219K due to new MOU agreements, merit increases, and increases in benefit costs.

Under Professional services, enterprise software support maintenance costs increased \$155K as a result of vendor price increases and additional licenses for applications such as IFAS (One Solution upgrade), Hansen (Utilities), Microsoft Office, and Socrata. The legacy Admins system was retired in FY 2014-15, saving \$48K. Network equipment, data storage, and phone maintenance expenses contributed an additional cost increase of \$70K.

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
I.T. Administration	\$261,343	\$335,545	\$337,889	\$392,813
I.T. Development	\$1,710,521	\$2,072,408	\$2,241,304	\$2,394,220
I.T. Customer Support	\$2,357,070	\$2,196,732	\$2,130,323	\$2,429,990
I.T. GIS Services	\$274,487	\$280,548	\$292,858	\$309,650
I.T. PC Replacement Program	\$0	\$132,486	\$167,080	\$175,316
CIP and O&M Projects	\$679,258	\$1,311,062	\$1,024,083	\$1,043,882
Total	\$5,282,679	\$6,328,781	\$6,193,537	\$6,745,871

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$2,138,626	\$2,291,585	\$2,301,124	\$2,456,832
Benefits	\$857,835	\$971,242	\$1,008,342	\$1,071,576
Professional Services	\$792,148	\$1,000,286	\$1,054,772	\$1,280,211
Vehicle Expenses	\$11,479	\$11,693	\$13,750	\$13,850
Utilities	\$325,322	\$247,430	\$358,273	\$391,280
Operational Supplies	\$107,029	\$65,528	\$58,100	\$50,400
Information Technology	\$0	\$11,646	\$13,682	\$21,853
Liab/Property Insurance	\$0	\$0	\$20,825	\$21,188
Other Miscellaneous	\$39,293	\$93,058	\$39,484	\$41,609
Indirect Costs	\$308,019	\$298,300	\$301,102	\$353,190
Capital Outlay	\$23,670	\$26,951	\$0	\$0
CIP and O&M Projects	\$679,258	\$1,311,062	\$1,024,083	\$1,043,882
Total	\$5,282,679	\$6,328,781	\$6,193,537	\$6,745,871

Information Technology

Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Capital Improvement Fund	\$571,101	\$7,082	\$0	\$0
Information Technology	\$4,711,578	\$5,751,213	\$5,715,374	\$6,239,673
Technology Replacement	\$0	\$570,486	\$478,163	\$506,198
Total	\$5,282,679	\$6,328,781	\$6,193,537	\$6,745,871

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	25.00	24.00	27.00	25.00	26.00

Prior FY 2014-15 Accomplishments

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

- Successful launch of new interactive Budget application (budget.srcity.org).
- Successful launch of new Open Data application (data.srcity.org).
- Initiation of srcity.org redesign project.
- Assistance with build-up of Police IT division.
- Upgraded GIS client and website to standardized solution.
- Finalized shift to a standardized desktop platform through deployment of Office 365.
- Retired mainframe ADMINS system.
- Implemented and deployed Mobile Device Management and streamlined deployment for city-owned mobile devices.
- Finished implementation of internal WIFI replacement solution.
- Developed and deployed weed abatement tracking and inspection system.
- Working with the City Clerk's Office, supported development of meeting efficiency and legislative tracking solutions (Granicus).
- Deployed MySantaRosa Citizen Request System.

Looking Ahead

For the Information Technology department, future strategic objectives will continue to include enhancement of public facing solutions that enable increased government transparency and make it easier for the public to do business with the City of Santa Rosa. Solutions will continue to be web-based, but will grow more into the mobile application area, taking advantage of smartphone and tablet-based technologies.

Internally the Information Technology department will continue to focus on network and data reliability and security, delivering applications that meet the business needs of the city departments.

Police

Mission

The Santa Rosa Police Department is committed to making Santa Rosa a safe place to live, work and play.

Department Description

The Police Department is responsible for the safeguard of lives and property, the preservation of constitutional rights, and the maintenance of quality of life in order to promote safe and secure neighborhoods for the citizens of Santa Rosa. The department responds to a wide range of calls for service and provides a number of community support and outreach programs to promote police/community partnerships. The six program areas that carry out these core functions are General Administration, Field Services, Support Bureau, Investigative Services, Technical Services, and Measure O.

General Administration – The administration of the department includes the Chief of Police and the administrative services functions responsible for the budget, contracts, department supplies, and facilities.

Field Services – The most visible component of the department is comprised of 8 teams that perform patrol 365 days a year, 24 hours a day. Field Services also includes the Traffic Bureau comprised of Motorcycle Officers and Accident Investigators, the Community Policing Team, School Resource Officers, Field and Evidence Technicians, SWAT team, Hostage Negotiation Team, Mobile Field Force, Canine Team, and the Downtown Enforcement Team.



Investigative Services – Detective units of the department: Domestic Violence and Sexual Assault, Narcotics, Property Crimes including Graffiti Abatement, Violent Crimes, and Gangs. The Investigative Services Bureau is supported by the Evidence Team that is responsible for the intake, tracking and disposition of all evidence related to investigations.

Technical Services – Provides the following services to the department: Communications, Records, Property and Evidence Technicians, Crime Analysis and a new Information Technology team.



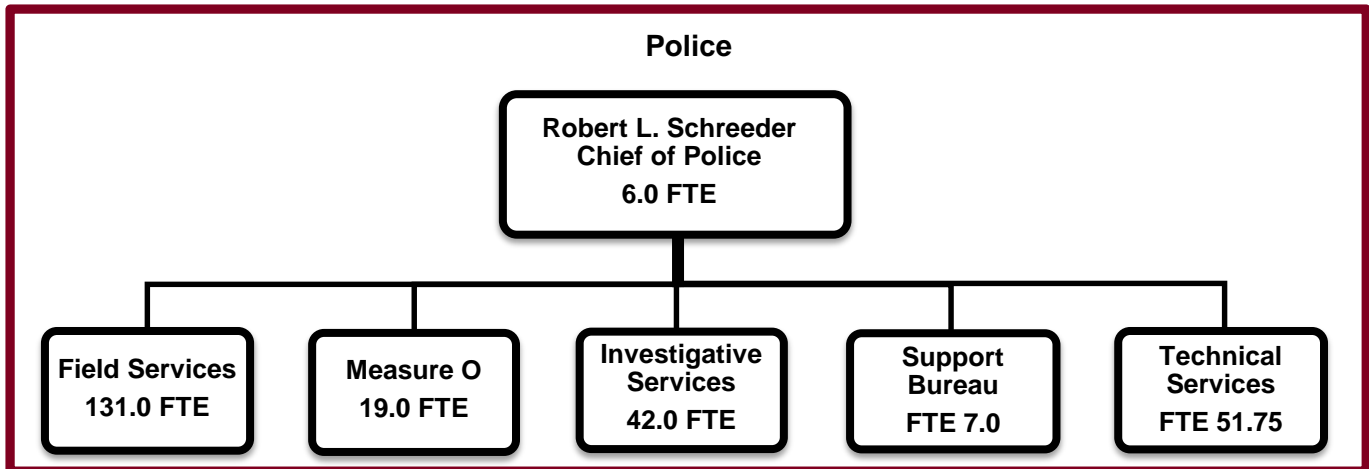
Support Bureau – Recruitment, Testing and Employment; Training and Wellness; and the Volunteers in Police Services (VIPS) program. The Police Department has personnel needs and recruitments that necessitate dedicated staff. As a result of this need, a bureau is dedicated to the recruiting and testing of new employees; conducting mandated background investigations; providing and tracking mandated training for all sworn staff; and administering the VIPS program that provides

approximately 5,000 hours of service per year, freeing up time for staff to address other public safety issues and clerical needs.

Police

Measure O – Funding and staff for a total of 19 positions: 17 Field Services positions that consist of 1 Lieutenant, 1 Sergeant, 12 Officers, 2 Field and Evidence Technicians and 1 Community Service Officer; and 2 Technical Services Division that consist of 1 Communications Supervisor and 1 Police Technician.

FTE by Program



Strategic Goals and Initiatives for FY 2015-16

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

- Continue to enhance Community Policing efforts and strategies, including working with the City's Homeless Outreach Services Team and Community Based Organizations; 6
- Actively recruit a diverse group of staff to fill vacancies at all levels of the organization; 6
- Continue to participate in community conversations on law enforcement and implement policies, processes and procedures; 6
- Increase bike and pedestrian safety through grant programs; 6
- Continue to participate in the Sonoma County Public Safety Consortium with a focus on including all law enforcement agencies in the information sharing and data gathering; 6
- Improve traffic safety and criminal enforcement by continuing to use Data Driven Approaches to Crime and Traffic Safety (DDACTS); 6
- Implement a Body Worn Camera program to patrol staff; 6
- Implement California Peace Officer Standards and Training course on racial profiling, including development of implicit bias information, for all department personnel; 6
- Implement Procedural Justice training for all staff members to maintain and improve relationships with the community. 6

Major Budget Changes

The FY 2015-16 budget increased by \$2.6M when compared to FY 2014-15. Major variances by category include the following: Salaries & Benefits increased by \$1.9M and \$595K, respectively, due to standard contractual increases related to the current MOU's, anticipated increases in overtime, retirement, worker's compensation and health insurance premiums. Police reduced staffing by 2.0 FTE's with the elimination of one vacant Senior Administrative Assistant position and with two unfilled positions converting into a Police Sergeant to enhance the consistency of personnel investigations and to provide a singular point of contact for complaints received from the community. This staffing change will free up patrol Sergeants, allowing them to focus on first line supervision in the field. Utilities increased by \$15K, or 20.6%, as the cost of department cell phones was moved here from Operational Supplies. Information Technology costs

increased by \$63K, or 10.9%, due to higher Internal IT Charges and PC Replacement costs. Major expenditure changes in project costs include using new Casino Crime Mitigation funding to purchase body worn cameras for officers for \$287K, coupled with lower expenditures in Federal Asset Forfeiture of \$150K and Technical Service Projects of \$185K in FY 2015-16.

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Administration	\$3,031,912	\$3,127,007	\$3,474,132	\$3,535,493
Field Services	\$22,542,475	\$22,789,188	\$24,502,197	\$25,634,408
Investigative Services	\$6,663,917	\$6,859,018	\$7,721,351	\$8,375,866
Technical Services	\$5,471,485	\$5,856,754	\$6,435,405	\$6,834,059
Support Bureau	\$1,152,445	\$1,421,604	\$1,487,659	\$1,711,783
Measure O Police	\$3,032,867	\$3,173,684	\$3,359,192	\$3,464,989
CIP and O&M Projects	\$1,169,057	\$1,129,859	\$867,715	\$852,338
Total	\$43,064,158	\$44,357,114	\$47,847,651	\$50,408,936

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$24,344,814	\$25,211,926	\$26,960,359	\$28,859,777
Benefits	\$13,325,877	\$13,533,165	\$15,206,091	\$15,800,952
Professional Services	\$939,010	\$1,011,135	\$1,275,863	\$1,366,398
Vehicle Expenses	\$1,561,893	\$1,627,874	\$1,785,318	\$1,746,318
Utilities	\$47,055	\$54,090	\$72,697	\$87,697
Operational Supplies	\$587,452	\$445,158	\$574,520	\$515,855
Information Technology	\$526,956	\$804,254	\$581,063	\$644,561
Liab/Property Insurance	\$10,630	\$10,906	\$15,838	\$16,290
Other Miscellaneous	\$361,181	\$370,227	\$376,819	\$389,619
Indirect Costs	\$139,155	\$130,082	\$131,368	\$120,975
Capital Outlay	\$51,078	\$28,438	\$0	\$8,156
CIP and O&M Projects	\$1,169,057	\$1,129,859	\$867,715	\$852,338
Total	\$43,064,158	\$44,357,114	\$47,847,651	\$50,408,936

Police

Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Fund	\$39,996,975	\$41,149,344	\$44,443,459	\$46,906,247
Measure "O" - Police	\$3,067,183	\$3,207,770	\$3,404,192	\$3,488,189
State Grants Fund	\$0	\$0	\$0	\$14,500
Total	\$43,064,158	\$44,357,114	\$47,847,651	\$50,408,936

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	246.75	246.75	253.25	258.75	256.75

Performance Measures

**YTD 2012 YTD 2013 YTD 2014 % Change
from 2013 to
2014**

PART I CRIMES REPORTED

Homicide	2	3	2	-33%
Forcible Rape	67	43	70	63%
Robbery	126	105	130	24%
Aggravated Assault	441	391	434	11%
Simple Assault (Not a Part I Crime)	724	751	713	-5%
Burglary	725	638	598	-6%
Larceny - Theft, Grand	877	780	940	21%
Larceny - Theft, Petty	1,900	1,780	1,933	9%
Motor Vehicle Theft	316	309	379	23%
Arson	22	25	42	68%

PART 1 CRIMES (CRIMES AGAINST PERSONS)

PART 1 CRIMES (PROPERTY CRIMES)

PART 1 CRIMES - TOTAL

636	542	636	17%
3,840	3,532	3,892	10%
4,476	4,074	4,528	11%

ARRESTS REPORTED

Juvenile	798	551	631	15%
Adult	9,628	8,645	7,574	-12%
TOTAL ARRESTS	10,426	9,196	8,205	-11%

COMMUNICATIONS CENTER CALLS

911 Calls	60,835	64,431	69,514	7%
Other Incoming Calls	120,906	123,867	122,354	-1%
Outbound Calls	37,144	41,332	39,226	-5%
Total Calls	218,885	229,630	231,094	1%

PATROL CALLS AND RESPONSE TIMES

Calls Routed to Patrol	71,957	73,151	77,214	5%
Officer Initiated Calls	56,378	63,724	45,697	-39%
TOTAL Calls	128,335	136,875	122,911	-11%
% Officer Initiated	44%	47%	37%	-25%
Priority 1 Calls/Median Average Response Time (MM:SS)	5,971 / 5:51	5,731 / 6:03	5,299 / 6:22	-8% / 5%
Priority 2 Calls/Median Average Response Time (MM:SS)	27,781 / 9:38	27,955 / 10:08	28,237 / 10:46	1% / 4%
Priority 3 Calls/Median Average Response Time (MM:SS)	17,050 / 20:08	17,011 / 21:52	17,762 / 22:49	4% / 4%

Prior FY 2014-15 Accomplishments

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

-
- Acquired and implemented a digital evidence system to handle the department's increasing storage and cataloging requirements from interview rooms and body worn cameras; 6
 - Increased department reporting and transparency to provide easily accessible information on Use of Force, Critical Incidents, complaints and personnel investigations; 6
 - Continued to work with the Sonoma County Mobile Support Team to address mental health issues in the field; 6
 - Hosted Citizen Police Academies in English and Spanish to educate the public on the roles and responsibilities of the department; 6
 - Created an Information Technology team with four staff members to address the ever increasing technology needs of the department; 6
 - Developed a Mobile Field Force team to provide an additional specialized response team for community events and needs; 6
 - Continued to refine the department's planning and response systems for consistency with the City's Emergency Operations Center structure; 6
 - Hired 13 Police Officer Trainees to attend the Santa Rosa Junior College Public Safety Training Center program and hired a total of 27 new department staff members; 6
 - Participated in a countywide software upgrade to improve the Computer Aided Dispatch and Records Management System; 6
 - Continued collaboration with the Family Justice Center to efficiently and effectively address domestic violence, including developing a 3-year partnership with the YWCA to form a Domestic Violence Response Team; 6
 - Continued collaborations with the Santa Rosa Violence Prevention Partnership, North Bay Regional Gang Task Force, and the Sonoma County Auto Theft Task Force; 6
 - Responded to approximately 16,000 calls for service per month; handled a 7% increase in 9-1-1 calls and a 5% increase in calls necessitating a patrol unit. 6

Police

Looking Ahead

- Actively recruit a diverse group of staff members in all classifications throughout the organization to address the public safety needs of the community;
- Plan for the staffing impacts associated with upcoming annexations;
- Develop and enhance training programs on racial profiling, including additional on-going training on implicit bias;
- Conduct training on Procedural Justice consistent with the department's community oriented policing philosophy;
- Develop department facilities for training that meet the needs of the department;
- Improve department technology including aging radio equipment;
- Develop partnerships and strategies to address the impacts of SMART rail service to traffic and regional public safety; and
- Support Community Policing efforts and strategies including the implementation of Data Driven Approaches to Crime and Traffic Safety (DDACTS).

Recreation & Parks

Mission

The Recreation & Parks Department creates community through people, parks and programs.

Department Description

General Administration – The Administration business unit provides central management, administration, and executive oversight for the Department, and includes all marketing functions and volunteer coordination. The City-wide Public Art Program, and City special event permits are also administered in this unit.

Aquatics – The Aquatics business unit includes the operation and specialized maintenance of the Ridgway Swim Center and the Finley Aquatic Center. Programs at the two outdoor, year-round facilities include swim lessons, water aerobics, lifeguard training, water polo, and diving, in addition to public swimming sessions and facility rentals.



Howarth Park and Camps – The Howarth Regional Park and Camps business unit includes operation and maintenance of the City's largest park, with seasonal amusements (train, carousel, jump house, petting barn, pony rides), food and beverage concessions, trails, picnic areas, Lake Ralphine and marina, lighted tennis courts, softball field, and the Land of Imagination playground. Annual youth summer camps include Wa-Tam, Yu-Chi and Doyle Adventure.

Sports – The Sports business unit organizes athletic activities. Slow/fast pitch softball leagues for adults, and T-ball, soccer, and basketball leagues for youth, are offered, as are sports classes and clinics. Tennis lessons are provided at Galvin Community Park, and sport field and sport court permits are administered through this unit.

Bennett Valley Golf Course – Bennett Valley Golf Course is a premier 18-hole par 72/6500 yard course and includes a driving range, pro shop, and clubhouse restaurant with banquet facilities. The course, pro shop and restaurant are operated and maintained under contracts, with the City responsible for certain direct/indirect expenses, capital improvements, and debt obligations.

Neighborhood Services / Violence Prevention Partnership – The Neighborhood Services business unit provides innovative youth development and recreational programming that serves at-risk, low-income and homeless youth and families. In partnership with other community agencies and with a share of the proceeds from the Transactions and Use Tax ("Measure O"), staff connect families to beneficial programs and services, helping to build a stronger community to provide "safe haven" sites where young people can enjoy recreational, social and sport activities without fear of gangs, drugs and other negative influences. Programs include after school, summer Recreation Sensation, and a variety of sports at middle schools and other locations.



Community Centers – The Community Centers business unit operates, maintains, and rents the City's community centers (Finley and Steele Lane), senior centers (Person Senior Wing and Bennett Valley) historic buildings (Church of One Tree and De Turk Round Barn), clubhouses (Franklin and Doyle) and

Recreation & Parks

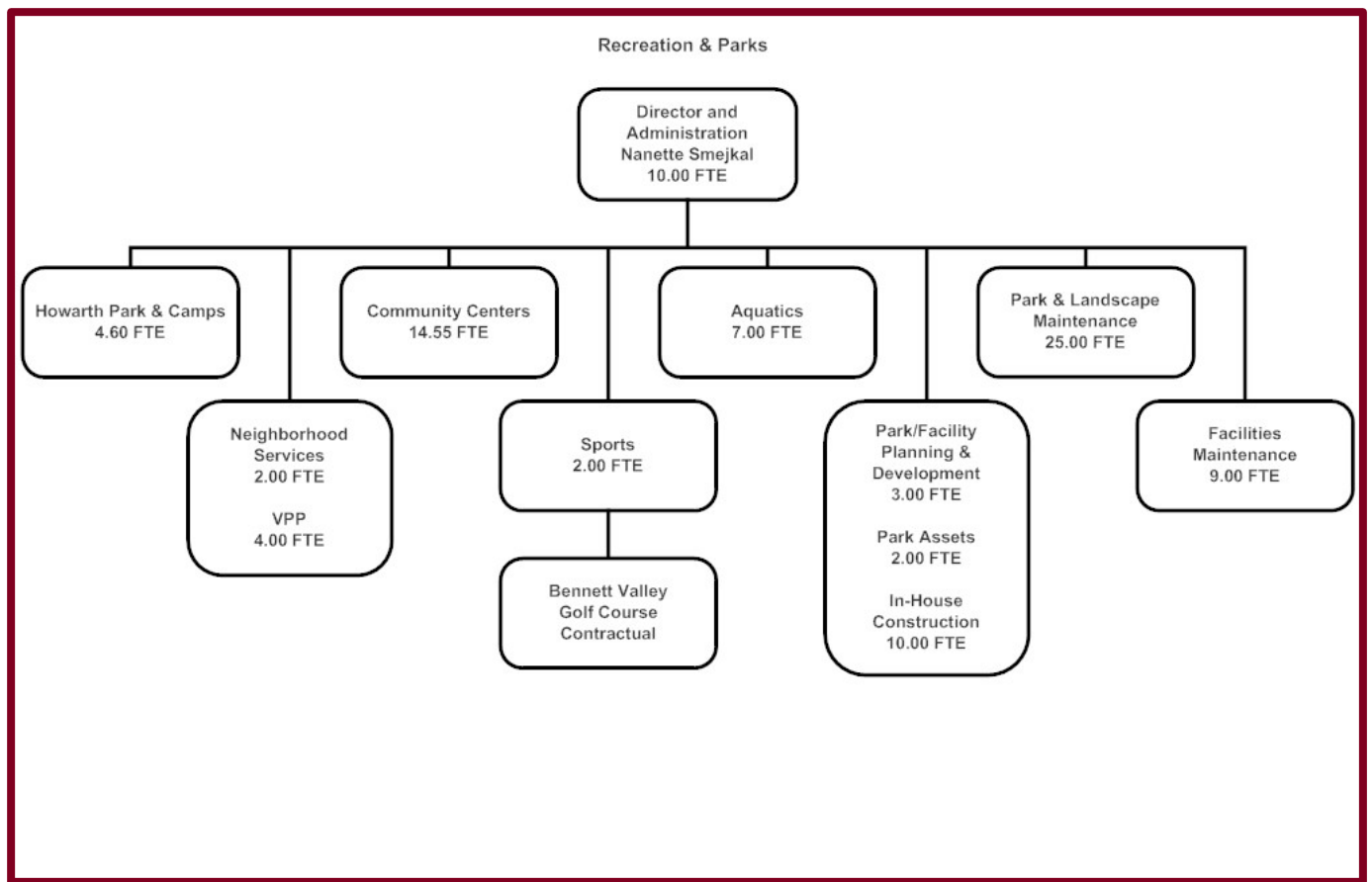
three commercial kitchens. Fee-based leisure instruction classes at the centers, off-site leisure instruction classes, picnic area reservations, and rental of Rosie the Trolley are also administered through this unit.

Park & Landscape Maintenance – The Park & Grounds Maintenance business unit maintains 700 acres of park land in neighborhood, community, and city-wide parks, including Luther Burbank Home & Gardens, Santa Rosa Rural Cemetery, Courthouse Square, Comstock Mall and Fourth Street Mall. Staff also provides land stewardship for 250 acres of open space, landscaped roadway medians and frontages, ten special landscaping districts, and landscapes around a variety of City buildings.

Park/Facility Planning & Development – The Park/Facility Planning & Development business unit oversees park, recreation and historic facility planning, acquisition, design and development, manages the capital improvement program and projects, and oversees the preparation of capital project-related grants. City-wide facility space planning and the Department's in-house construction and park assets crews are grouped with this business unit.

Facilities Maintenance – The Facilities Maintenance business unit is responsible for maintaining 115 City buildings, not just those of the Recreation & Parks Department. Services performed include building inspections, regular preventative maintenance, contract administration, and work order responses/repairs. This business unit includes costs for janitorial services, utilities (gas, electricity, and water/sewer), elevator and HVAC repairs, fire alarm systems, permits, underground tank monitoring, and emergency generators.

FTE by Program



Recreation & Parks

Strategic Goals and Initiatives for FY 2015-16

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

• Increase park maintenance service levels, specifically in neighborhood parks	4
• Improve the quality of soccer fields and ball diamonds	4
• Implement ADA modifications at Bennett Valley Golf Course, Colgan Creek Park, Dauenhauer Park, Galvin Community Park, Harvest Park, Howarth Park, Martin Luther King Jr Park, Mesquite Park, Red Hawk Park, Southwest Community Park	4
• Implement Public Art Master Plan: develop work plan, revise Public Art Policy, update written materials, inventory the City's collection	4
• Facilitate the design and construction of the Service Hub at 651 1 st Street	4
• Expand health and fitness classes at community centers	6
• Improve the department's website	4
• Complete Finali Neighborhood Park	4
• Construct Bayer Neighborhood Park and Gardens	4
• Install new hallway flooring at Bennett Valley Senior Center	4
• Add a water feature at Finley Pool	4
• Implement a Performing Arts event and activate Courthouse Square	4
• Install restroom and retrofit the circulation and sanitation systems at the Prince Gateway Park Spray Ground	4
• Complete Master Plans for Roseland Creek Community Park Phase I, Kawana Springs Community Park and Galvin Community Park	4
• Implement another year of fairway sanding to improve drainage at Bennett Valley Golf Course	4
• Replace bridge at Bennett Valley Golf Course	4
• Design a new restroom near the Howarth Park tennis courts and ball field	4
• Repair Council Chamber roof	4
• Save 6% energy costs due to Sonoma Clean Power	4

Major Budget Changes

Recreation & Parks FY 2015-16 budget increased by \$1.4M when compared to FY 2014-15. Major variances by category include the following: Salaries & Benefits increased by \$802K and \$448K, respectively, due to the transfer of 2.0 Maintenance Workers from Transportation & Public Works at mid-year 2014-15 and the addition of 6.0 new Groundskeepers mid-year 2014-15, together with the standard contractual increases related to the current MOU's. Temporary Staffing also increased by \$120K due to minimum wage and sick leave increases as required by State Law. Operational Supplies went up by \$81K overall with an additional need approved for \$99.8K for City-wide waste receptacles and a reduction of \$20.3K in grant expenditures (sailboats) not included this year. Capital expenditures increased by \$36.5K with an increase in the General Fund and decreased in the Golf Course fund. An additional General Fund expenditure was approved for \$100K for new filters for 2 pools and soccer goals in multiple parks. The Capital and Projects costs in the General Fund also increased by \$252K for multiple park improvements across the city.

For FY 2015-16, the Golf Course fund budget decreased by approximately \$400K from last year. This is primarily due to the elimination of the General Fund transfer to fund debt service payments which occurred in FY 2014-15. In order to cover the debt service payments, the Golf Course fund reduced Project expenditures including the irrigation system repairs of \$230K and the fairway weed and pest control of \$60K and reduced Capital expenditures for golf course equipment by \$63.5K.

Recreation & Parks

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Administration	\$1,205,209	\$1,280,698	\$1,359,936	\$1,389,130
Golf Course Administration	\$1,645,948	\$1,534,759	\$589,820	\$497,988
Neighborhood Services	\$1,593,139	\$1,098,736	\$1,053,428	\$1,123,088
Recreation Programs	\$1,158,038	\$1,226,746	\$0	\$0
Parks and Grounds Maintenance	\$3,828,177	\$3,626,173	\$4,467,005	\$5,177,926
Park/Fac Planning/Development	\$462,545	\$513,776	\$621,713	\$763,407
Community Centers	\$2,113,700	\$2,319,081	\$2,258,758	\$2,416,370
Facilities Maintenance	\$2,381,350	\$2,468,864	\$2,932,622	\$3,078,013
Aquatics	\$681,118	\$701,132	\$1,422,634	\$1,591,498
Sports	\$185,057	\$181,672	\$452,653	\$482,993
Howarth Park & Camps	\$630,240	\$607,815	\$1,112,526	\$1,195,057
CIP and O&M Projects	\$4,743,043	\$4,298,655	\$2,788,969	\$2,745,153
Total	\$20,627,564	\$19,858,107	\$19,060,064	\$20,460,623

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$5,756,031	\$5,798,223	\$6,297,721	\$7,099,609
Benefits	\$2,010,490	\$2,175,904	\$2,270,191	\$2,718,524
Professional Services	\$3,137,159	\$2,785,865	\$2,111,132	\$2,176,575
Vehicle Expenses	\$522,718	\$468,513	\$479,668	\$492,218
Utilities	\$2,238,337	\$2,088,359	\$2,686,710	\$2,685,285
Operational Supplies	\$787,862	\$761,076	\$831,501	\$912,955
Information Technology	\$360,687	\$460,724	\$481,466	\$518,810
Debt Service	\$452,894	\$439,360	\$471,801	\$456,091
Liab/Property Insurance	\$8,825	\$8,522	\$5,131	\$6,924
Other Miscellaneous	\$394,652	\$424,667	\$502,338	\$486,004
Subrecipient Funding	\$2,417	\$0	\$0	\$0
Indirect Costs	\$206,061	\$133,223	\$69,936	\$62,475
Capital Outlay	\$6,388	\$15,016	\$63,500	\$100,000
CIP and O&M Projects	\$4,743,043	\$4,298,655	\$2,788,969	\$2,745,153
Total	\$20,627,564	\$19,858,107	\$19,060,064	\$20,460,623

Recreation & Parks

Expenditures by Fund -				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Fund	\$13,823,121	\$13,562,071	\$15,156,949	\$16,733,631
Art In-lieu Fee	\$174,192	\$112,297	\$75,350	\$91,009
Measure "O" - Recreation	\$1,182,660	\$614,244	\$611,366	\$653,845
Change For Kids Fund	\$28,723	\$74,979	\$28,025	\$24,405
Capital Improvement Fund	\$3,431,646	\$3,732,477	\$1,996,760	\$2,317,544
St. Francis Knolls	\$900	\$30	\$1,597	\$1,605
Stony Ranch	\$446	\$441	\$4,126	\$4,123
The Orchard at Oakmont	\$16,706	\$13,036	\$41,526	\$41,510
Sandra's Place Tax District	\$44	\$30	\$0	\$0
Woodbridge Tax District	\$6,728	\$6,070	\$9,831	\$9,826
North Village I Special Tax Di	\$7,670	\$62	\$8,291	\$8,286
Kawana Springs 6 Special Tax D	\$0	\$0	\$5,581	\$5,576
Bennett Valley Golf Course Op	\$1,450,117	\$1,215,952	\$564,458	\$170,143
Taxable Golf Bond Debt Service	\$133,599	\$127,889	\$131,568	\$128,939
Tax-exempt Golf Bond DS	\$269,434	\$262,806	\$263,794	\$263,906
Railroad Square Maintenance Fu	\$2,784	\$971	\$6,000	\$6,275
Expendable Fund-Int Alloc	\$17,875	\$59,960	\$52,692	\$0
Expendable Fund-No Int Alloc	\$80,919	\$74,792	\$102,150	\$0
Total	\$20,627,564	\$19,858,107	\$19,060,064	\$20,460,623

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	84.40	82.65	83.15	85.15	93.15

Performance Measures

Indicators	FY 2012-13	FY 2013-14	FY 2014-15 estimate
Recreation			
Percentage of people who rate programs at signature facilities (FCC, SLCC, BVSC, PSW, Aquatic Centers) as good or excellent	90%	96%	95%
Increase in the number of people participating in programs and activities (Target 5% increase)	4%	-5%	1%
Number of people receiving information from Department public information efforts (includes email and Facebook)	46,267	57,589	57,500
Percentage of planned programs, classes and activities canceled due to lack of registration (Target: less than 20%)	15%	12%	15%
Percentage of direct program costs offset by revenues	73%	74%	73%
Park & Facility Asset Development & Maintenance			
Percentage of Community parks and facilities rated in good or excellent condition based on surveys of park patrons	89%	67%	75%
Park acreage provided as City's 3.5 acre share of 6 acres of parkland and open space per 1,000 residents	6.26	6.22	6.2
Square feet of buildings maintained	487,871	530,561	566,304

Recreation & Parks

Prior FY 2014-15 Accomplishments

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

-
- | | |
|---|-----|
| • Received an additional grant from CA Division of Boating and Waterways and purchased one new rescue boat and a total of eight new sailboats. | 4 |
| • Recognized by Bohemian readers for Howarth Park “Best Park” and Camp Wa-tam “Best Day Camp”. | 4 |
| • Received grant for Junior Giants youth baseball program and Finley Community Center was chosen as a stop for the SF Giants’ World Series Trophy Tour. | 4 |
| • Raised \$20K for the youth scholarship fund from the St. Patrick’s Day 5K Run. | 4 |
| • Received California Park and Recreation Society (CPRS) state award of excellence for video production “ <i>THIS IS RECREATION & PARKS</i> ”. | 4 |
| • Installed seven video informational kiosks at community centers and pools. | 4 |
| • Received the 2014 Public Facilities Award of Excellence from the California Counties Facilities Services Association (CCFSA). | 2,4 |
| • Completed the renovation of Galvin Park tennis courts 5 & 6 and resurfaced courts 7, 8, 11 & 12. | 4 |
| • Rehabilitated backstops at Northwest Community Park ball fields 1, 2 & 3. | 4 |
| • Applied 1200 tons of sand to the fairways at Bennett Valley Golf Course. | 4 |
| • Recognized by Press Democrat readers as the “Best of Sonoma County” for: Best Summer Camp - Camp Wa-Tam; Best Golf Course - Bennett Valley Golf Course; Best Playground - Howarth Park; Best Dog Park - Doyle Park. | 4 |
| • Increased maintenance level of service at Courthouse Square and Prince Memorial Greenway with Limited Term Groundskeepers focused on graffiti removal, homeless remediation and weed removal. | 4 |
| • Began construction of Finali Neighborhood Park. | 4 |
| • Replaced the picket fence at Luther Burbank Home & Gardens. | 4 |
| • Prepared Public Art Master Plan for City Council adoption. | 4 |
| • Installed skylight covers to improve rooftop safety per OSHA. | 2,4 |

Looking Ahead

- Deferred capital repairs and replacements at buildings and parks.
- Drought restrictions effect on turf and landscape irrigation and the operation of pools, fountains and spray parks.

Santa Rosa Water

Mission

Protecting public health by sustaining water and wastewater resources, infrastructure and the environment: our future in every drop.

Department Description

Santa Rosa Water (SRW) protects public health by sustaining water and wastewater resources, infrastructure and the environment. The department protects and maintains the watershed, delivers safe, potable water, cleans and maintains sewer mains, and treats and beneficially reuses wastewater 24/7.

The City of Santa Rosa delivers 6 billion gallons of potable water to nearly 54,000 customer accounts, operates a recycled water system for agricultural and urban irrigation and commercial processes, collects wastewater from over 45,000 customer accounts, and operates the Subregional Water Reuse System which beneficially reuses over 6 billion gallons of tertiary treated wastewater and 26 thousand tons of biosolids annually. SRW also manages the Storm Water and Creeks section which works closely with other sections in the department to safeguard water sources and protect the urban watershed with over 100 miles of creeks.



There are separate enterprise funds that finance each of these operations, divided into 11 Programs.

Administration – Supports the whole department by providing leadership, finance, human resources, safety and training, asset management, technology, energy management, and administrative support across all programs.

Purchase of Water – Tracks the funds allocated to purchase water from the Sonoma County Water Agency.

Storm Water and Creeks – Makes Santa Rosa a better place by enhancing creek health through restoration and community involvement, providing biological and engineering services, and managing storm water runoff to preserve and restore water quality and minimize flooding.

Water Resources – Plans for long-term water supply and wastewater capacity to meet the needs of the City's currently adopted General Plan.



Water O&M and Local WW O&M – Operates and maintains safe, economical, and dependable water distribution, wastewater collection and urban reuse systems in an ethical and informative way for the customers of the City of Santa Rosa.

Wastewater Resource Recovery and Wastewater Resource Distribution – Provides treatment and beneficial reuse of recycled water and biosolids in a reliable, practical manner that provides the best use of our resources, while protecting public health and the environment.

Debt Service – Provides financing for large, long-lasting debt financed projects.

Santa Rosa Water

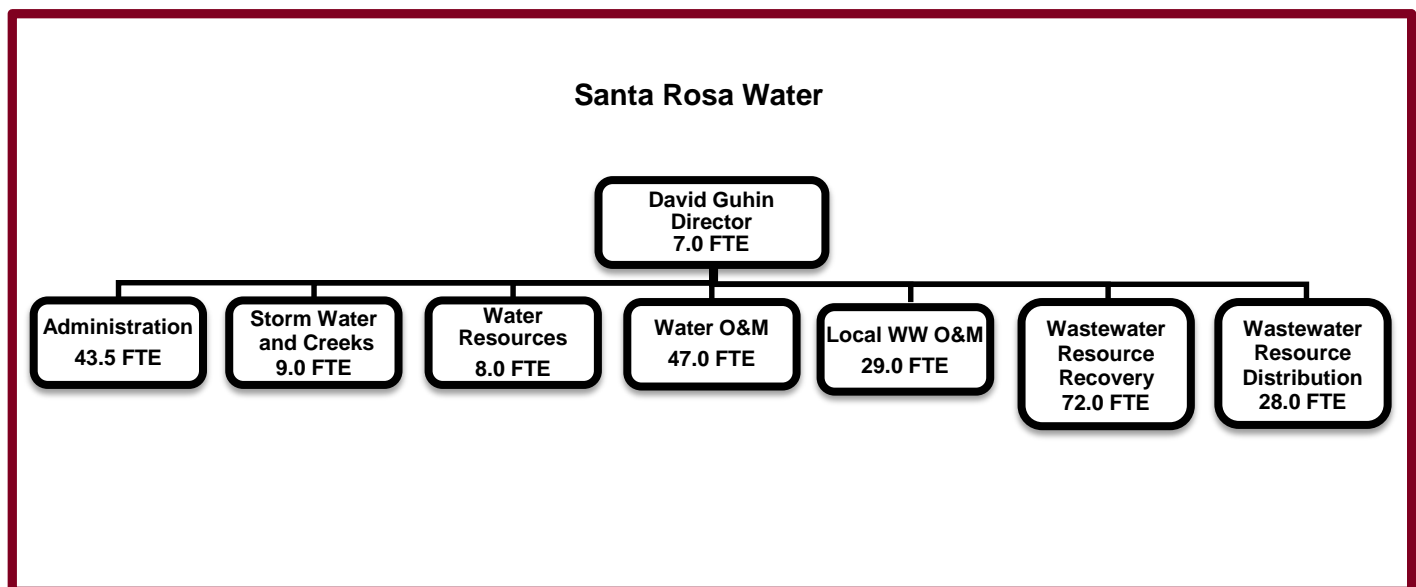
O&M Projects – Supports the various programs within Santa Rosa Water Utilities by providing either one-time funding for specific projects or ongoing funding for continuing projects that span multiple years.

Capital Improvement Projects – Install one-time or ongoing large projects for new capital improvements, or replace aging infrastructure in the various sections of Santa Rosa Water Utilities.

The water and wastewater funds are primarily financed by Santa Rosa ratepayer user fees and charges and the Subregional fund is primarily financed by the five user agencies (through wastewater fees and charges). The Storm Water and Creeks Section is financed by a parcel tax and the General Fund.

Rates approved by the Santa Rosa City Council are considered sufficient to fund the prudent operation of the water, wastewater, and Subregional systems and maintain appropriate debt service ratios through FY 2015-16. The overall Santa Rosa Water FY 2015-16 budget is down from the previous year due a reduced Capital Improvement Program (CIP) since there is no bond funding in FY 2015-16.

FTE by Program



Strategic Goals and Initiatives for FY 2015-16

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

• Customer service	1
• Meet and exceed present and future regulations	3
• Communication, outreach and education (internal and external)	
• Public and environmental health	3
• Fiscal responsibility and cost effectiveness	1
• Planning for the future – workplace and infrastructure	3
• Collaboration	5

Major Budget Changes

Major Budget changes include the addition of 5 new positions (partially offset by elimination of one vacant position). Detail of positions:

- Right of Way Agent
- Civil Engineering Technician – Development Services

Santa Rosa Water

- Utility System Operator I – Leak detection
- Wastewater Treatment Shift Supervisor – Treatment
- Utility Technician – Mechanical Services
- Eliminate – Senior Administrative Assistant – Water Administration

Overall, the FY 2015-16 budget decreased by \$8.0M when compared to FY 2014-15. Major variances by category include the following: Salaries & Benefits increased by \$1.1M and \$764K, respectively, due to adding 4.0 FTE's and MOU negotiated increases and employee step increases, anticipated increases in retirement costs, worker's compensation and health insurance premiums. Utility Billing Services increased by \$224K due a large increase in city-wide allocated costs, other than this, Utility Billing only increased 3.5% reflecting normal operating increases. Purchase of Electricity is up \$159K based on anticipated annual cost increases and Water/Sewer Charges are down by \$210K with no Oakmont Treatment Plant irrigation this budget year. Purchase of Water from Sonoma County Water Agency (SCWA) is expected to increase by \$629K to reflect the wholesale water increase of 4.14% going into effect in FY 2015-16. Santa Rosa purchases about 90% of the water distributed to customers from the SCWA. Operational Supplies are up \$418K due to both the increased cost of materials and because of aging equipment needing replacement. The Subregional Treatment Plant and the Geysers Water Recharge System in particular are both aging and beginning to need more upkeep and equipment replacements. Santa Rosa Water pays a share of the costs of the City's Information Technology department. Those costs have been determined by an outside consultant this year for the first time resulting in a total increase of \$267K or 16.2% overall. Santa Rosa Water pays a share of city-wide costs that benefit the department; as the City in general recovers from the recession these costs will increase. For FY 2015-16, these costs are slated to grow by \$272K or 3.1%. The largest change for the department shows a dramatic decrease in project budgets of \$11.7M, or (24.6%), since there is no new bond funding in FY 2015-16.

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Administration	\$3,868,542	\$3,615,212	\$4,638,054	\$5,009,598
Purchase of Water	\$14,016,254	\$13,459,090	\$15,229,280	\$15,857,960
Storm Water and Creeks	\$1,306,613	\$1,352,148	\$1,710,856	\$1,963,963
Water Resources	\$948,974	\$837,206	\$1,019,779	\$1,134,957
Water O&M	\$11,969,690	\$12,332,199	\$14,067,880	\$15,056,166
Local Wastewater O&M	\$9,028,768	\$8,954,047	\$10,542,445	\$10,533,657
Wastewater Resource Recovery	\$16,810,675	\$17,219,802	\$19,876,618	\$21,035,840
Wastewater Resource Distribution	\$5,531,628	\$5,475,486	\$6,547,974	\$6,867,792
Debt Service	\$32,351,915	\$32,184,944	\$29,303,977	\$29,231,404
Utilities - Infrastructure R/R & CIP	\$330,119	\$54,583	\$0	\$0
CIP and O&M Projects	\$32,198,107	\$33,219,166	\$47,726,893	\$36,005,734
Total	\$128,361,285	\$128,703,883	\$150,663,756	\$142,697,071

Santa Rosa Water

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$16,021,489	\$15,865,946	\$17,815,658	\$18,942,950
Benefits	\$7,456,040	\$7,514,155	\$8,560,769	\$9,325,241
Professional Services	\$2,105,575	\$2,059,267	\$3,305,687	\$3,249,148
Utility Billing Svcs	\$3,099,810	\$3,320,040	\$3,626,911	\$3,850,417
Vehicle Expenses	\$2,457,451	\$2,555,169	\$2,975,330	\$2,985,756
Utilities	\$3,908,251	\$4,008,489	\$5,385,557	\$5,322,562
Purchase Water	\$14,015,797	\$13,459,052	\$15,229,280	\$15,857,960
Operational Supplies	\$3,243,047	\$3,511,050	\$3,979,639	\$4,397,257
Information Technology	\$1,449,360	\$1,605,457	\$1,644,224	\$1,911,084
Debt Service	\$32,351,915	\$32,184,944	\$29,303,977	\$29,231,404
Liab/Property Insurance	\$763,778	\$712,555	\$659,170	\$728,683
Other Miscellaneous	\$1,001,389	\$1,028,859	\$1,663,873	\$1,718,116
Indirect Costs	\$8,216,939	\$7,600,553	\$8,786,788	\$9,058,759
Capital Outlay	\$72,337	\$59,181	\$0	\$112,000
CIP and O&M Projects	\$32,198,107	\$33,219,166	\$47,726,893	\$36,005,734
Total	\$128,361,285	\$128,703,883	\$150,663,756	\$142,697,071

Santa Rosa Water

Expenditures by Fund -				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Fund	\$580,862	\$335,088	\$357,037	\$323,947
Capital Improvement Fund	\$636,470	\$1,160,195	\$645,447	\$284,601
Stony Ranch	\$2,057	\$1,771	\$2,000	\$2,000
Woodbridge Tax District	\$1,603	\$1,718	\$2,000	\$2,000
Kawana Springs 6 Special Tax D	\$3,466	\$1,835	\$2,700	\$2,000
Kawana Town Center Special Tax	\$0	\$171	\$600	\$600
Utilities Administration Fund	\$5,045,362	\$4,658,004	\$5,771,333	\$6,478,055
Water Utility Operations	\$26,384,184	\$26,118,587	\$30,328,494	\$31,577,083
Water Capital Fund	\$7,858,675	\$9,559,042	\$13,000,000	\$17,182,233
2001 WW Bonds - Water Portion	\$637,414	\$62,232	\$0	\$1,227
2008 Water Bond Debt Service	\$887,226	\$872,462	\$873,786	\$872,703
2008 Water Construction	\$670,919	\$652,875	\$0	\$0
Local Wastewater Utility Fund	\$9,353,327	\$9,201,542	\$11,256,389	\$11,362,576
Local Wastewater Capital Fund	\$10,072,926	\$14,271,770	\$12,000,000	\$12,000,000
1990 Local Wastewater Const	\$3,016	\$0	\$27,682	\$0
2008 Local Wastewater Construc	\$1,904,861	\$116,867	\$0	\$0
Subregional Waste Operations	\$23,963,570	\$24,512,787	\$28,297,578	\$30,151,755
CEC Loan Debt Service Fund	\$108,312	\$108,309	\$103,127	\$103,127
Subregional Waste Capital	\$1,731,651	\$1,330,492	\$1,500,000	\$2,024,174
2014 Wastwater Debt Service	\$0	\$180,113	\$1,041,000	\$972,500
2012 WW Refunding Debt Svce	\$2,489,325	\$2,301,382	\$2,569,900	\$2,569,900
2014 Wastwater Construction	\$0	\$0	\$16,500,000	\$100,000
2008 Wastewater Debt Service	\$2,492,336	\$2,466,257	\$2,561,153	\$2,770,553
2008 Subregional Construction	\$5,251,452	\$2,654,299	\$0	\$0
2004A Wastewater Bond Debt Ser	-\$6,000	\$0	\$0	\$0
2004B Wastewater Bond Debt Ser	\$1,436,827	\$274,855	\$274,219	\$0
2007 Wastewater Bond Debt Serv	\$5,929,582	\$5,871,973	\$5,781,488	\$7,624,088
Storm Water Enterprise Fund	\$743,143	\$720,829	\$992,514	\$1,089,163
Storm Water -Creek Restoration	\$578,562	\$548,592	\$676,005	\$884,253
2007 Wastewater Bond Construct	\$59,405	\$236,774	\$0	\$0
2002B Subregional WW Debt Svc	\$4,177,544	\$4,377,933	\$0	\$0
2001B Subregional Construction	\$377,615	\$177,885	\$0	\$0
1998A Subregional WW - Constru	\$10,179	\$14,843	\$0	\$0
1993 WW Refunding Debt Serv	\$276,419	\$1,390,385	\$1,401,938	\$1,400,656
1999State Revolving Loan Debt	\$1,742,328	\$1,741,430	\$1,772,239	\$0
1992 Wastewater Refunding DS	\$1,766,918	\$1,749,533	\$1,787,850	\$1,781,900
1992B Wastewater Debt Service	\$2,488,724	\$2,469,932	\$2,499,050	\$2,497,750
2000Geysers State Loan Debt	\$8,562,374	\$8,560,493	\$8,638,227	\$8,638,227
1996A Subregional Construction	\$138,651	\$628	\$0	\$0
Total	\$128,361,285	\$128,703,883	\$150,663,756	\$142,697,071

Santa Rosa Water

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	240.00	241.00	248.00	239.50	243.50

Performance Measures

	2012	2013	2014
Subregional Treatment*			
Billion gallons wastewater treated	6.9	6.1	6.4
Treated wastewater recycled	100%	100%	100%
Biosolids reused	100%	100%	94%
Environmental compliance inspections - grease related food industries	565	417	357
Number of people attending Treatment Plant educational tours	2,806	1,837	3,400
Laguna Lab annual proficiency acceptance rating	99%	97%	99.6%

Water Supply, Distribution and Quality*

Miles of water main in system	619	620	619
Million gallons of water purchased	6307	6743	5510
Million gallons metered water delivered	6190	6408	5473
Million gallons water produced from well	258	369	370
Unaccounted for water	5.55%	9.80%	6.46%
Water Main repairs	20	26	20
Drinking Water Compliance Rate (AWWA benchmark)	100%	100%	100%

Local Wastewater Collection*

Miles of sewer main in system	587.9	588.6	589.1
Miles of sewer lines flushed	178.2	249.5	298.7
Miles of sewer lines rodded	9.04	7.53	7.05
CCTV inspection of sewer main miles	146.1	124.9	116.5
Sewer Main repairs	77	109	86
Sewer laterals repair/replace	60	54	30

Engineering**

Number of water and/or sewer connection permits issued	272	227	309
Miles of water line replaced	1.78	1.35	2.19
System replaced - .88% goal	0.29%	0.18%	0.35%
Miles of sewer main replaced	2.59	2.95	2.92
System replaced - 1.2% goal	0.53%	0.36%	0.49%
Water CIP projects completed	15	7	15
Wastewater CIP projects completed	6	10	10
Laguna Treatment Plant CIP projects completed	1	6	5

Santa Rosa Water

Storm Water and Creeks Section **

Educational creek related activities with youth	73	144	182
Volunteer creek cleanups	79	85	78
Cubic yards of debris removed from creeks	598	692	923
Illicit spill discharges responded to by SW Team	108	94	77

*Calendar Year figures

**Fiscal Year figures

Prior FY 2014-15 Accomplishments

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

-
- Operated the Subregional Water Reuse System, which includes the Laguna Wastewater Treatment Plant, Geysers Recharge Project and Recycled Water Distribution, allowing for the beneficial reuse of 6 billion gallons of recycled water and resulted in no discharge. **3**
 - Collected and disposed of 12,197 pounds of pharmaceuticals for the customers of Subregional Water Reuse (9,175 pounds in Santa Rosa) through the Safe Medicine Disposal program. This is a 9.2% increase since 2012. **3**
 - Tested 99.6% accurate in the Laguna Environmental Laboratory for proficiency testing in water quality, wastewater, soils and hazardous waste sampling.
 - Became one of the first labs in the state to reach full compliance, at the Laguna Environmental Laboratory, with new and very stringent Federal wastewater analysis requirements.
 - Restored 0.32 miles of channelized creek along Bellevue Avenue between Elsie Allen High School and Dutton Meadow in phase 1 of 2 of the Colgan Creek Restoration Project. **4**
 - Recognized by the California State Water Resources Control Board's Division of Drinking Water for an outstanding performance record for water distribution and treatment operations. **2**
 - Completed a successful drought outreach campaign, with customers reducing water use by 19%. Increased Green Exchange rebate amount resulted in a 243% increase in participation or 343 participants. Since the inception of the Green Exchange Program, over 2.4 million square feet of turf have been removed. **3**
 - Received an \$800,000 in grant funding from the State to transform the City Hall lawn and landscape into a beautiful demonstration garden and community gathering area that will feature water-use efficiency and storm water best management practices , which includes native/ low water-use plants, bioswales, and rainwater harvesting. **3, 4**
 - Adopted the Santa Rosa Plain Ground Water Management Plan, as part of the Basin Advisory Panel. **1, 3, 6**
 - Improved the meter set process for new development by implementing operational changes. **1, 3**
 - Partnered with the Sonoma County Department of Health Service to provide 2,000 low-income students with water education and reusable water bottles as part of the Take it From the TAP! education program focused on where our water comes from, water quality, and environmental stewardship. **3, 6**
 - Updated the Water and Sewer Master Plans and initiated the development of the first-ever Subregional Master Plan. **1, 3**
 - Hosted the Mike Hauser Algebra Academy, sponsored by the Chamber of Commerce, for the future leaders in our community to learn how to apply math to water related jobs. **5**

Santa Rosa Water

- Coordinated the Department's Emergency Operations Center in conjunction with the city-wide Emergency Operations Center and the Safety & Training team established a Subregional Department Operations Center (DOC) at the Laguna Treatment Plant.
- Issued \$16.5 million in wastewater revenue bonds to fund a variety of Subregional capital improvement program projects.
- Repaired, replaced and/or installed 381 water services, mains, and/or valves. Located and replaced over 134 leaking water services.
- Handled 2,647 customer calls relating to water and sewer. Responded to over 12,000 requests for underground service alert (USA) mark-outs requiring 4,000 mark outs by local operations.
- Produced and distributed 369.90 million gallons (MG) of water at the Farmers Lane Well Water Treatment Plant. The Farmers Lane facility operated for 175 days with a daily average production of 2.11 MG per day.
- Installed 197 new meters. The meter operations crews also focused on meter age by changing out 1,360 meters, replacing or repairing 89 substandard meter boxes and replacing 87 leaking curb stops. The crews also flow-tested 76 large meters.

Looking Ahead

Staffing – Santa Rosa Water, along with government in general, sees challenges with experienced staff retiring and the loss of highly trained, knowledgeable & experienced industry professionals and making sure there are successful training & succession plans in place. In addition, the improving economy with its competing job opportunities creates challenges in retaining top qualified employees. Santa Rosa Water will need to be prepared for these staffing challenges to continue to be in a position to provide excellent customer service, have the trained staff to maintain the City's infrastructure, and have certified staff to continue to meet present and future regulations.

Rate Study - Santa Rosa Water is in the midst of a new Cost of Service Rate Study and will likely be bringing a rate proposal to City Council near the end of 2015. Rate structure changes may be proposed based on recent legal decisions. SRW has been fiscally prudent in the face of the drought and the associated reduced revenues and does not foresee major rate increases due to reduced revenue in FY 2015-16.

Drought - On January 17, 2014, Governor Brown declared a state-wide drought emergency and asked for a 20% water use reduction. In July 2014, the State Water Resources Control Board (State Board) adopted emergency drought regulations to achieve the 20 % water use reduction, requiring all residents to eliminate wasteful water use and restricting outdoor water use. The Santa Rosa City Council adopted Stage 1-Mandatory of the City's Water Shortage Contingency Plan on August 5, 2014, requiring customers to reduce usage by 20% community-wide and putting restrictions on outdoor water use. Our customers have responded very well, reducing water use by 19% compared to 2013. On March 17, 2015, the State Board extended the emergency drought regulations for another 270 days, requiring even greater restrictions on outdoor water use. On April 1, 2015, Governor Brown announced a state-wide mandatory 25 % water use reduction. Going into the FY 2015-16 budget year, the Utility is planning to partially use the water fund balance as a buffer to absorb potential impacts of drought related water use reduction. Revenue for the water utility is highly dependent on weather and water use patterns.

Groundwater – In September 2014, Governor Brown signed into law the Sustainable Groundwater Management Act (Act) which gives local agencies a range of powers to manage groundwater for sustainability in the long term. The Act requires that Groundwater Sustainability Agencies (GSAs) be established by June 2017 and that Groundwater Sustainability Plans (GSPs) be developed for all high

Santa Rosa Water

and medium priority groundwater basins in Sonoma County by January 2022. The Santa Rosa Plain Basin, from which Santa Rosa Water draws 5-10% of our water supply, is a medium priority basin. The County of Sonoma and Sonoma County Water Agency (Water Agency) have taken a proactive position with respect to the Act and have been meeting with staff from local cities, towns and water districts regarding formation of the GSAs. On May 17, 2015, the Water Agency Board of Directors approved the hiring of a facilitator to conduct a formal stakeholder assessment to inform the next steps in the GSAs formation process. Santa Rosa water staff will be participating in the stakeholder assessment as well as the GSAs formation process.

Storm Water NPDES Permit – The City's Storm Water NPDES Permit (Storm Water Permit) is up for renewal in 2015. Storm water compliance is occurring within a dynamic regulatory and legal framework. It remains to be seen how the new Storm Water Permit, the State Water Resources Control Board's anticipated Trash Policy and the upcoming Russian River Total Maximum Daily Load study for pathogens will impact regulatory requirements related to storm water discharges. Significant budgetary impacts related to increasingly stringent storm water requirements are anticipated.

Subregional NPDES Permit – After being issued the 2013 NPDES Waste Discharge Requirements and Master Reclamation Permit ("Permit") for the Subregional System, the City filed a Petition for Review of the Permit with the State Water Board challenging Permit provisions related to final effluent limitations for phosphorus, recycled water use, receiving water temperature limitations, and a number of other issues the City raised during the Regional Board's permit review and issuance process. On October 23, 2014, the City placed the Petition for Review of the Permit in abeyance to allow for discussion between Santa Rosa Water and State Water Board staffs regarding possible partial settlement of some of the Permit provisions. A final decision on the City's Petition for Review may take several years. Although the Petition has been placed in abeyance, concerns remain regarding Permit provisions, particularly with regard to final effluent limitations for phosphorus. Ultimately, the Laguna de Santa Rosa Total Maximum Daily Load Study for Nutrients, which the Regional Board currently anticipates completing in 2019, may determine long term allocations of allowable phosphorus-discharges.

High Strength Waste Receiving – A receiving facility is being constructed to receive up to 40,000 gallons per day of high strength liquid waste. This system will leverage existing infrastructure at LTP, increase disposal service alternatives for existing and future local businesses, reduce the carbon footprint associated with trucking waste out of Sonoma County, and offset power costs.

Disinfection – Alternative replacement strategies for the existing Ultraviolet disinfection system are being studied, with full implementation anticipated in 5 years. Each of the front running strategies include a creative and cost effective way to provide immediate capacity relief and long term redundancy – using a safe chemical disinfectant to separately treat flows that are pumped to the Geysers steamfields. This is anticipated to be implemented in the near term (1-2 years) while the full replacement strategy is selected and designed.

Microgrid related power system capabilities – Through installation of specialized equipment in the Plant's Combined Heat and Power Facility, the Plant will become more capable of reducing electrical demand on the local power grid which will, in turn, allow greater local reliance on renewable energy supplies. This equipment will also allow the Plant to produce more electricity on site, which will reduce power costs.

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Transportation & Public Works

Mission

Provide effective transportation options through planning, design and construction, while being responsive and competent stewards of the public infrastructure and environment.

Department Description

The Transportation and Public Works Department is divided into six (6) programs, in addition to the department's General Administration:

Traffic Engineering – Responsible for planning the street signs, striping, and signal timing throughout the City's 540 miles of streets. Its goal is to provide an effective and efficient facility for transportation, regardless of the mode: pedestrian, bicycle, or vehicle.

Capital Projects Engineering – Responsible for design and construction of projects to rehabilitate, upgrade and expand the City's infrastructure. Engineering and technical staff in this division are committed to enhancing water, sewer and drainage systems, transportation networks, parks and other City facilities to protect public health and safety, and the environment.

Field Services – Comprised of three sections: Fleet Services, Street Maintenance, and Electrical Maintenance. Their primary functions are to maintain and replace the City's fleet vehicles and equipment; to maintain most street assets including pavement, sidewalk, curb and gutter, storm drain system, creeks, ditches, pedestrian ramps, signs, and markings; and to maintain traffic signals, street lights, and electrical systems in City-owned facilities.

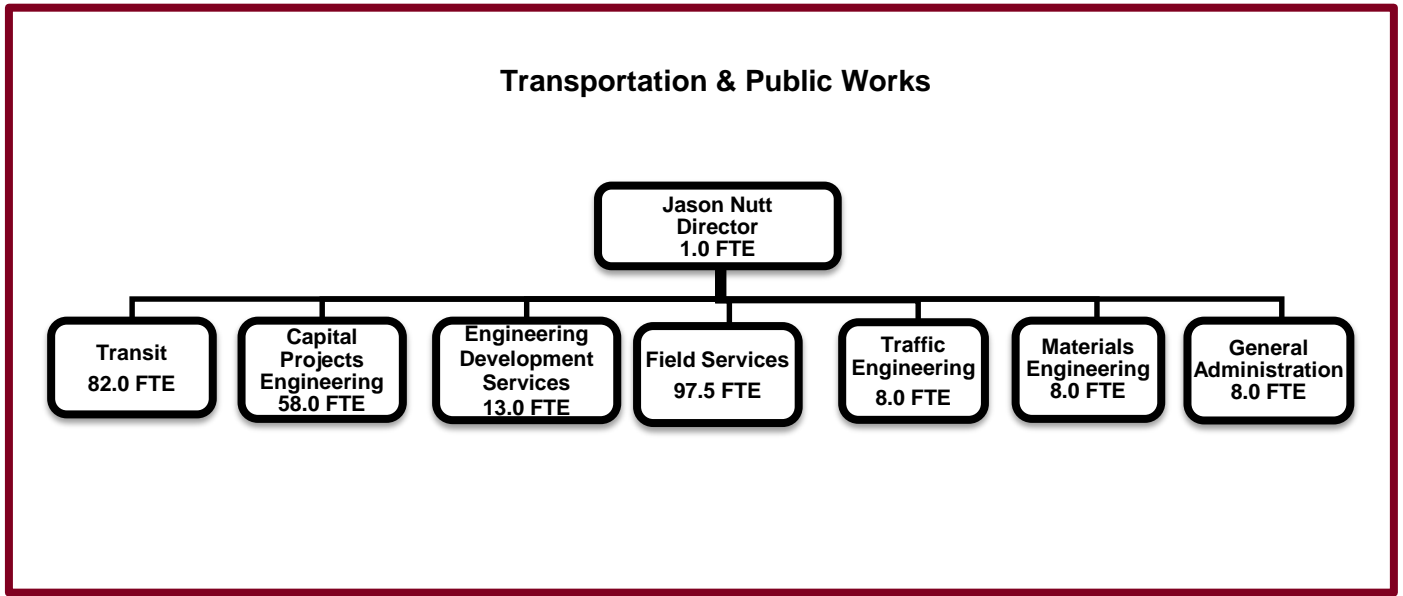
Engineering Development Services (EDS) – Provides engineering and inspection services for Private Development and subdivision plan check and inspection, encroachment permit issuance and inspection, Storm Water Discharge compliance, Water Efficient Landscape compliance, and requested engineering services to other City departments. EDS works closely with the Community Development Department, providing engineering support on private development proposals.

Materials Engineering – Responsible for quality assurance of materials used to construct City roadway projects. Some of the services the group provides include asphalt plant inspection and sampling, laboratory and field testing, and pavement engineering. The team is also responsible for maintaining the city-wide Pavement Management Program as required by the Metropolitan Transportation Commission (MTC).

Transit – Manages and operates Santa Rosa CityBus, providing fixed-routes service throughout Santa Rosa and the unincorporated areas of Roseland, with 17 fixed-routes and one deviated fixed-route which serves the Oakmont community. The Transit Division also manages Santa Rosa Paratransit, the City's ADA complementary curb-to-curb Paratransit service, manages and operates the Santa Rosa Free Ride Trip Reduction Incentive Program and the Learn to Ride Santa Rosa CityBus Travel Training Program. The Transit Division provides the staff support for the Bicycle and Pedestrian Advisory Board.

Transportation & Public Works

FTE by Program



Strategic Goals and Initiatives for FY 2015-16

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

Pavement

- The replacement value of the city's pavement is about \$1 billion. To keep that asset in good repair, we should be spending about 1.5% of its value each year or about \$15 million dollars annually. Instead, the City typically spends about \$6 million annually. We are falling behind \$9 million per year. The City's pavement backlog could be considered in parallel with the City's operating budget structural deficit. If we solve the City's operating budget issues, but defer significant upkeep on our pavement, we will eventually pay a high price. Both problems need to be addressed.

Transportation

- Manage construction of the Stony Point Road Widening project between Sebastopol Road and Hearn Avenue project with a goal of completion by the end of 2016.
- Complete construction of slurry seal and pavement preventative maintenance projects.
- Complete design of the Jennings Avenue Rail Crossing.
- Complete Project Initiation Document process with Caltrans for the Highway 101 Bike/Pedestrian Overcrossing near SRJC.

Outside Funding

- Maximize use of outside revenue sources to maintain an active Capital Improvement Program (CIP) and address infrastructure needs by securing grant revenues equaling 30% of the budgeted Public Works Department CIP.

	Total Public Works CIP	Grant %
FY 2014-15	\$11,490,306	21%
FY 2013-14	\$10,023,290	56%
FY 2012-13	\$7,073,383	61%

Transportation & Public Works

Transit

- The comprehensive operational analysis of CityBus, called Reimagining CityBus, is underway and will involve community outreach, engagement, and participation.
- Issue a Request for Proposals for the Santa Rosa Paratransit service for FY 2015-16 through FY 2017-18.
- A bus purchase is planned for FY 2015-16 to replace aging fixed route fleet vehicles.

Major Budget Changes

The Transportation and Public Works Department (TPW) has four primary components: the General Fund, the Transit Enterprise Funds, the Capital Improvement Fund and the Equipment Repair and Replacement Internal Service Funds. Overall, increases and decreases in various categories of the funds result in a department-wide budget reduction of \$2.85M from FY 2014-15 to FY 2015-16. TPW's FTEs also decrease department-wide from 275.5 in FY 2014-15 to 270.5 in FY 2015-16. Mid-year 2014-15 TPW moved 2.0 FTE Skilled Maintenance Workers to Recreation and Parks to aide in graffiti abatement. In FY 2015-16 the elimination of 4.0 vacant positions (1.0 Administrative Assistant in CIP Team 3 and 3.0 Mechanic I's in the Garage) are offset by the addition of 1.0 Limited Term Electrician in Field Services to assist in completing a CIP project. TPW also reclassified several positions across programs which had a negligible dollar effect on the budget.

The General Fund portion of TPW's budget increased by \$1.20M, or 9.4%, mostly driven by Salary and Benefits. \$480K of the Salary increase reflects restored funding to the General Fund for six Field Services employees who were temporarily assigned to CIP projects to avoid layoffs during the recession. MOU contracts and rising benefit costs also contribute to the variance. Finally, the General Fund grants an additional \$62K for electricity and \$53K in gasoline for Electrical and Streets Field Services programs to better reflect actual need and usage.

The Transit Enterprise Funds increased by \$2.68M from FY 2014-15 to FY 2015-16. The primary driver is \$1.97M budgeted for the FY 2015-16 purchase and delivery of four 40-foot clean diesel buses for use in fixed route service. An additional \$360K is budgeted for the purchase of two new bus hoists to maintain and repair existing stock. With no FTE changes Transit's Salary and Benefit labor contract increases total \$343K, or 4.8%. Other small increases occur in citywide overhead charges while the overall services and supplies budget had no significant changes.

The FY 2015-16 budget for the Capital Improvement Fund focuses on pavement maintenance, traffic safety, street capacity, and signal and street light replacement and modifications. Overall the CIP budget decreased by \$4.5M from the prior year, partially because FY 2014-15 had an unusually high budget due to one-time use of In-Lieu Fees and higher Gas Tax and Development Fees. Specifically, the 2015-16 budget for Citywide Pedestrian Enhancements declined by \$899K. Another factor was a budget decrease of \$1.85M for the Stony Point Road widening project because the majority of the work was completed in FY 2014-15.

The Equipment Repair and Replacement Internal Service Funds budget decreases by \$2.19M in FY 2015-16. In the previous fiscal year almost 60 City vehicles were budgeted for replacement, and upon completion of these purchases the FY 2015-16 budget dropped \$2.6M. While the elimination of three FTEs reduced E&Rs budget by \$230K labor and benefit costs for existing employees increased, resulting an overall decrease of \$72K.

Transportation & Public Works

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Administration	\$1,053,586	\$1,171,422	\$1,053,915	\$1,064,157
Traffic	\$829,903	\$940,793	\$1,070,829	\$1,153,198
Engineering Development Svcs	\$1,567,447	\$1,585,364	\$1,698,584	\$1,835,281
Capital Projects Engineering	\$2,856,960	\$2,498,545	\$2,436,621	\$2,371,149
Field Services	\$13,238,356	\$14,362,819	\$17,008,914	\$15,454,723
Materials Laboratory	\$185,995	\$342,925	\$456,448	\$504,036
Transit	\$11,198,530	\$11,195,289	\$12,062,609	\$12,497,839
CIP and O&M Projects	\$17,164,958	\$18,809,343	\$13,355,786	\$11,413,619
Total	\$48,095,735	\$50,906,500	\$49,143,706	\$46,294,002

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$12,724,026	\$12,951,071	\$13,690,848	\$14,537,168
Benefits	\$6,193,063	\$6,457,830	\$6,969,881	\$7,549,277
Professional Services	\$425,724	\$435,693	\$605,826	\$365,828
Vehicle Expenses	\$3,027,355	\$2,797,515	\$3,027,011	\$3,066,782
Utilities	\$898,663	\$955,839	\$861,321	\$914,184
Operational Supplies	\$1,893,054	\$1,986,454	\$2,113,960	\$2,258,878
Information Technology	\$715,578	\$920,929	\$1,003,181	\$969,571
Liab/Property Insurance	\$180,257	\$184,365	\$232,999	\$277,494
Other Miscellaneous	\$1,437,388	\$1,105,278	\$998,360	\$1,080,113
Transportation Purchase	\$1,307,411	\$1,260,568	\$1,323,432	\$1,408,422
Indirect Costs	\$1,275,040	\$1,594,069	\$1,614,749	\$1,790,482
Capital Outlay	\$853,218	\$1,447,546	\$3,346,352	\$662,184
CIP and O&M Projects	\$17,164,958	\$18,809,343	\$13,355,786	\$11,413,619
Total	\$48,095,735	\$50,906,500	\$49,143,706	\$46,294,002

Transportation & Public Works

Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Fund	\$12,058,659	\$12,581,678	\$12,795,007	\$13,992,853
AB 434 Funds (Transit)	\$228,606	\$257,538	\$241,452	\$231,452
Capital Improvement Fund	\$11,575,504	\$12,868,731	\$11,515,036	\$7,026,914
Utilities Administration Fund	\$1,624,437	\$1,568,378	\$1,360,120	\$1,303,537
Parking District Fund	\$0	\$0	\$0	\$0
Municipal Transit Fund	\$9,943,877	\$9,972,691	\$10,729,393	\$11,086,223
Transit Capital Fund	\$4,146,171	\$4,659,831	\$808,707	\$3,050,662
Paratransit Operations	\$1,300,755	\$1,222,598	\$1,333,216	\$1,411,616
Storm Water Enterprise Fund	\$340,517	\$387,026	\$447,881	\$463,954
Equipment Repair	\$4,844,286	\$4,746,699	\$5,362,954	\$5,331,182
Equipment Replacement Fund	\$2,032,923	\$2,641,330	\$4,549,940	\$2,395,609
Total	\$48,095,735	\$50,906,500	\$49,143,706	\$46,294,002

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	270.00	268.00	264.00	275.50	270.50

Performance Measures

INDICATORS:	FY 2012-13	FY 2013-14	FY 2014-15
Grant Revenues Secured	\$4.3M	\$5.6M	\$2.8M
Travel Time Along 5 Major Arterial Streets (PM Peak)			
College/West College Ave Cleveland Avenue to 4 th Street	3:40	3:57	3:13
Guerneville Road/Steele Lane Range Avenue to Illinois Street/County Center Drive	2:29	2:35	2:26
Mendocino Ave College Ave to Steele Lane	4:21	4:29	3:21
Santa Rosa Avenue Baker Overcrossing to Yolanda Ave	2:04	2:23	2:00
Stony Point Road West College Avenue to Hearn Avenue	5:51	7:02	6:34
Completed Field Services Work Orders			
Streets	1,660	1,516	1,317
Electrical	4,014	2,844	3,396
Fleet	7,691	7,919	5,000
Field Services and Capital Projects			
Asphalt and Portland Cement Concrete Recycled (tons)	7,177	4,624	
Capital Projects Engineering			
Total Project Expenditures	\$43M	43.8M	

Transportation & Public Works

Engineering Development Services			
Completed plan checks	96	88	95
Permits Issued	525	716	620
Transit Operations (Estimates)			
Number of annual CityBus passenger trips	3,077,065	2,326,846	2,175,601
Number of annual Paratransit trips	50,477	51,059	49,000

Prior FY 2014-15 Accomplishments

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

-
- Managed construction of 48 CIP projects with a total contract value of over \$38M during 2014. Consultants designed 52% of these projects. City staff designed 48%. 1
 - The Engineering Development Services Division responded to over 978 public information requests providing information regarding location of water and sewer services and property boundaries for individual property owners. 1
 - Transit implemented a new Day Pass for CityBus travel and adopted efficiency improvements for Santa Rosa Paratransit service. Also developed and implemented the Sonoma Access program, a web and phone based service to provide countywide information about transportation options to residents in Sonoma County. This program is being transitioned to the Area Agency on Agency for its on-going operation and support. 1
 - Significant street and paving projects completed in FY 2014-15 include: 1
 - Annual Slurry Seal 2014. 1
 - Contract and City Pavement Preventative Maintenance. 1
 - Ventura Avenue Improvements – Paulin Drive to Bicentennial Way. 1
 - Neighborhood and business area infrastructure upgrades (sewer, water, paving and some drainage and pedestrian improvements) completed in FY 2014-15 include: 1
 - Administration Drive Sewer Improvements. 1
 - Leland, Stanford and Fair Oaks Sewer and Water Improvements. 1
 - Sixth Street and Wilson Sewer and Water Improvements. 1
 - Valley Center and Village Side Drive Sewer and Water Improvements. 1
 - West End Neighborhood North Sewer and Water Improvements – Phase 1. 1
 - Initiated Project Approval and Environmental Document for the Hearn Avenue at Highway 101 Interchange. 1
 - Sixth St, A St, Seventh St road diet bike lane project. 3
 - Hearn Ave at Old Stony Point Rd Rectangular Rapid Flashing Beacon and crosswalk. 3
 - Lewis Rd bike lanes from Mendocino Ave to Humboldt St. 3
 - Jennings Ave Rail Crossing Environmental Impact Report. 3
 - Santa Rosa Avenue Widening – Sidewalks, Pedestrian Ramps and Bicycle Lanes. 3
 - Promoted **srcity.org/CIP** web site and continued to post information for citizens about active CIP projects. Engineering staff regularly post construction updates to keep the community informed. 6
 - Constructed Fire Station 5 to provide better service to a high fire hazard severity zone. 6
 - Constructed the Lower Colgan Creek Restoration Project to provide environmental, drainage and recreation benefits to the southwest Santa Rosa community. 6
 - Initiated work by private utility companies to place overhead utility lines underground along Stony Point Road south of Sebastopol Road. 6

Transportation & Public Works

Looking Ahead

Traffic Engineering will be installing a new Intelligent Transportation System software on Santa Rosa Avenue over the next year to improve traffic flow. The system will use the existing detection to determine cycle lengths and timing plans based on the traffic demands and will vary throughout the day depending on those demands. We have seen improvements on other corridors in the City with this type of technology but will this will be the first installation of QuicTracs software in Santa Rosa.

The Electrical Section of the Field Services Division will be focusing its efforts to turn on all City street lights by the end of FY 2015-16, and to replace high-pressure sodium street lights with energy-saving LED technology. This will include hiring additional staff for the length of the project. The Streets Section will be turning its attention back to maintaining streets that are most in need of repair after staff was temporarily shifted to project work as a budget reduction strategy the last 5+ years. The Fleet Services Section will continue implementing a new fleet maintenance management system that they migrated to in mid-fiscal year 2014-15. In addition, one or two of the Garage's primary in-ground vehicle lifts are scheduled for replacement.

The Capital Projects Engineering Division is expecting to be very busy managing the construction of the City's projects, including the \$10 million Stony Point Road Widening project and about \$39 million of Santa Rosa Water projects that are expected to start construction in 2015. These projects provide the infrastructure that is critical to the economic vitality, health and safety, and quality of life in Santa Rosa.

Engineering Development Services (EDS) is anticipating a surge in plan checking and construction inspection this spring and summer. Currently there are 8 subdivisions under construction, with an additional seven projects awaiting final approval to start construction. Indications are that more projects will be submitted for plan checking with the goal of starting construction this season. EDS is planning to fill a key management position, as the current Development Review Coordinator has announced his retirement. This position is essential in managing an efficient Division and providing the level of service our customers have come to know and expect. The selection to fill this position will be vital to the success of the Division.

Santa Rosa Transit Division is looking forward to completion of the Reimagine CityBus project, including the second phase of the community engagement activities focused on the options for CityBus' future and then bringing recommendation to the City Council. We will also be moving forward with a new contract to provide Paratransit Services with an eye toward improving efficiency and maintaining client satisfaction. In addition, we will be working with the Metropolitan Transportation Commission to install real-time transit signs displaying departure times at the Transit Mall. Clipper cards should also be debuted in Sonoma County in fall or winter, allowing people to use a single type of fare media on CityBus and SMART and the other Bay Area transit operators.

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Non-Departmental

The purpose of the Non-Departmental budget is to record expenditures that are not associated with a specific department of the City.

PROGRAMS

General Administration: This program includes the Sonoma County Admin Fee, in connection with the collection and allocation of property taxes on behalf of the City.

Animal Shelter: This program includes amounts paid to Sonoma County for animal care and control services.

Media Access Center: The Community Media Center is a collaborative project funded through the City's cable communication franchise agreement with Comcast. The Center offers services to Santa Rosa schools, local government, non-profit organizations and individuals on a nondiscriminatory basis. Public access provides opportunities to local residents and non-profit organizations to become trained to use broadcast quality production equipment and create non-commercial programming reflecting their interests and ideas. Organizations can also utilize simplified, call-in program options in the "Hotline" studio, and downlink programs and professional development materials from satellite.

Educational access serves the training, production and communication needs of local educational institutions, including teacher training, access to equipment and facilities, cablecast of school-sponsored programming, technical advice and assistance, student training and internship opportunities, and satellite down-linking services.

Government access is designed to foster better communication with residents and within local government. The Community Media Center provides City meeting coverage to residents via cable TV, trains City staff to use video technology, facilitates studio use for the dissemination of government information and cablecasts government-sponsored programming.

NON-PROGRAM

The Non-Program category includes the following types of costs:

- Costs charged from the Insurance Fund to the General Fund for the General Fund's portion of City liability and fire insurance, \$1.194M.
- A contingency appropriation in the General Fund, for the City Manager's use, as required, primarily for funding special studies, analyses, or other special projects, approved by the Council, but which were not anticipated or budgeted for during the budget process, and to respond to changed departmental operating needs during the year, \$350K.
- Costs related to retirements and voluntary terminations for all General Fund operating departments have been centrally budgeted. These amounts are transferred to the appropriate General Fund department to cover the expenses related to retirements and voluntary terminations as they occur, \$1.4M.
- Unspent Appropriations (turnback) are budgeted as a credit here as a holding place to reflect unspent budget amounts that occur each year. Actual turnback will be recognized in department budgets rather than in the Non-departmental budget, (\$1.3M).

Non-Departmental

Debt Service: The Debt Service Program includes all general debt service expenditures, including debt service for pension obligation bonds, certificates of participation, and capital lease payments. This does not include debt service associated with the enterprise funds, such as debt service for the Water, Local Wastewater and Subregional Wastewater Utilities, the Parking Fund and the Golf Course Fund. Such expenses are reflected in the appropriate enterprise fund. Debt service associated with the Successor Agency to the Redevelopment Agency is shown in the Successor Agency to the Redevelopment Agency portion of the budget.

Other: This program includes costs for Santa Rosa's local contribution to Sonoma County Transportation Authority (SCTA) for FY 2015-16 estimated based on last year's actual expense increased by 5% to \$99K.

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Administration	\$309,395	\$309,598	\$360,500	\$322,106
Animal Shelter	\$1,735,608	\$1,638,379	\$1,950,000	\$1,950,000
Media Access Center	\$280,014	\$342,095	\$343,550	\$281,366
Non-Program	\$1,426,234	\$946,304	\$2,704,472	\$1,653,901
Debt Service	\$4,359,599	\$37,931,849	\$5,685,396	\$5,033,920
Other	\$41,180,063	\$41,119,642	\$94,476	\$99,200
CIP and O&M Projects	\$190,312	\$264,251	\$222,000	\$129,818
Total	\$49,481,225	\$82,552,118	\$11,360,394	\$9,470,311

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$0	\$0	\$1,400,000	\$1,400,000
Benefits	\$0	\$0	\$0	\$10,000
Professional Services	\$2,917,779	\$2,464,637	\$4,206,126	\$3,007,852
Debt Service	\$4,356,799	\$37,847,214	\$5,677,796	\$5,028,740
Liab/Property Insurance	\$926,234	\$946,304	\$1,254,472	\$1,193,901
Other Miscellaneous	\$0	\$0	-\$1,400,000	-\$1,300,000
Depreciation	\$41,090,101	\$41,029,712	\$0	\$0
CIP and O&M Projects	\$190,312	\$264,251	\$222,000	\$129,818
Total	\$49,481,225	\$82,552,118	\$11,360,394	\$9,470,311

Non-Departmental

Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Fund	\$4,031,525	\$3,590,557	\$5,674,998	\$4,436,391
2003A Pension Oblg (Variabl)	\$783,647	\$10,497,236	\$0	\$0
2003B Pension Oblg (Fixed)	\$2,362,386	\$24,637,399	\$0	\$0
2013 Pension Oblg (Refund)	\$0	\$1,319,207	\$4,103,735	\$3,732,484
2007 COPs Bldng Acquisition	\$651,200	\$652,281	\$652,906	\$653,195
ARP Capital Lease Debt Serv	\$562,366	\$561,028	\$561,028	\$280,514
Fire Station Capital Lease	\$0	\$264,698	\$367,727	\$367,727
Water Utility Operations	\$6,088,876	\$6,025,289	\$0	\$0
Local Wastewater Utility Fund	\$4,867,289	\$4,915,915	\$0	\$0
Subregional Waste Operations	\$12,429,746	\$12,451,809	\$0	\$0
Parking District Fund	\$665,096	\$587,202	\$0	\$0
Municipal Transit Fund	\$1,245,883	\$1,495,991	\$0	\$0
Bennett Valley Golf Course Op	\$492,697	\$477,783	\$0	\$0
Storm Water Enterprise Fund	\$2,688	\$941	\$0	\$0
Equipment Repair	\$6,493	\$9,597	\$0	\$0
Equipment Replacement Fund	\$1,518,742	\$1,572,307	\$0	\$0
Risk Management Fund	\$255	\$765	\$0	\$0
Information Technology	\$148,624	\$146,918	\$0	\$0
Full Accrual Fund - City	\$13,142,401	\$12,899,992	\$0	\$0
Full Accrual Fund - Housing	\$26,916	\$26,916	\$0	\$0
Full Accrual Fund - Redev	\$454,395	\$418,287	\$0	\$0
Total	\$49,481,225	\$82,552,118	\$11,360,394	\$9,470,311

Major Budget Changes

The FY 2015-16 budget decreased by \$1.9M when compared to FY 2014-15. The Non-Departmental budget includes a General Fund component, as well as non-enterprise debt service funds for Pension Obligation Bonds, Certificates of Participation (for building acquisition), and capital leases (for the City-wide software upgrade and Fire Station). Major variances include a reduction of \$1.1M for labor negotiations which has been spread across all the departments in Salaries for FY 2015-16, a reduction of debt service payment of \$644K and zero budget allocated for Revenue Audit fees which reduced year-over-year expenditures by \$100K. Account balance will be used for any expenditures for Revenue Audit fees in FY 2015-16.

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Policies

Policies have been summarized for brevity. Copies of the policies in their entirety are available for review at City Hall in the City Manager's Office, 100 Santa Rosa Avenue, Room 10, 95404.

CONTINGENCY RESERVE POLICIES

General Fund

The City of Santa Rosa maintains contingency reserves for all major operating funds. An analysis was conducted on the General Fund that evaluated revenues and their volatility, condition of capital assets, access to other resources, unanticipated expenditures, and the industry norm of General Fund reserves. A survey of comparable California cities showed that the average General Fund reserve was approximately 15% of expenditures.

A contingency reserve for the General Fund shall be maintained at a level of 15% to 17% of annual expenditures. The amount up to 17% of expenditures will be "designated for contingencies" and listed as such in the Comprehensive Annual Financial Report (CAFR).

The amount "designated for contingencies" will be ideally maintained at 17%. The amount between 15% and 17% may be used during the budget process to alleviate short term revenue or expenditure volatility; or to address high priority one-time needs. If the General Fund contingency reserve level is below 15%, a plan will be established to increase the reserve to a minimum of 15% during the upcoming budget process. Reserves over the 17% will be "designated for future expenditures" and listed as such in the CAFR.

VARIOUS OTHER FUNDS

Equipment Repair Fund

The Equipment Repair Fund is an internal service fund that provides funding for the repair of City-Owned vehicles by the City Garage. An annual labor rate is established in order to recoup costs. This policy was established to provide an adequate contingency reserve for the purpose of maximizing rate stabilization.

The reserve is set at 5% of the annual budget. This can be established as a multi-year plan with the review and approval of the Finance Department. If the contingency reserve level is below 3%, a plan will be established to increase the reserve. Reserves in excess of the minimum reserve shall be designated for future expenditures or reductions in rates.

Storm Water Utility Fund

The Storm Water Enterprise Funds provide for compliance with the National Pollutant Discharge Elimination System (NPDES) requirements as well as creek restoration efforts. The reserve provides funding for economic and catastrophic contingencies.

The reserve is maintained at a level consistent with that established for the City's General Fund, currently 15% to 17% of annual expenditures. If the reserve level is below 15%, a plan will be established to increase the reserve to a minimum of 15% during the upcoming budget process. Reserves of over 17% will be designated for future expenditures or reductions in rates.

Policies

Insurance Fund

The Insurance Internal Service Fund charges City departments for the costs of providing Liability and Property insurance and employee benefits. The reserve was established to cover unanticipated claims.

A reserve for potential liability claims should be maintained at a level at least equal to the discounted expected value of reserves determined by the annual actuarial valuation that estimates the potential loss from incurred but not reported (IBNR) claims. Due to the lack of predictability of future IBNR claims, and the potential of non-insured claims against the City, additional reserves of twice individual claim Self Insured Retention should be set aside.

A reserve for Employee Benefit Insurance claims on self-insured City benefit plans should be set at a level that allows for at least three months runout of claims to be paid, as well as a reserve equal to 7% of annual claims. Currently, the City maintains a self-insured Dental and Vision Plan. The City also participated in two self-insured health plans through a joint power authority (JPA). However, reserves are held by the JPA, so funds equal to one month's premium are sufficient for potential premium adjustments.

A reserve for Workers Compensation claims should be maintained at a level at least equal to the discounted expected value of reserves determined by the annual actuarial valuation. Recommended reserves for workers compensation included development of known claims as well as IBNR claims. A 50% (expected) level is deemed adequate due to the extended period of time in which claims will be paid out.

A reserve for property insurance claims deductible payments, equal to two deductibles, should be maintained.

Information Technology Internal Service Fund

The Information Technology Internal Service Fund provides funding for the deployment, support, and maintenance of City-wide computer networks, communications infrastructure (phone/data) and City-wide software applications. This reserve will provide funds for Rate Stabilization, and large, unplanned expenditures. The contingency reserve is set at 10% of annual expenditures.

Parking Reserve Fund

The Parking Fund is a propriety fund used to account for all revenues and expenditures of the City's parking enterprise. The operations, maintenance, and capital improvements of the City's parking facilities (including five public parking garages and ten surface parking lots) are financed through user fees collected from parking meters, sale of parking permits, and garage hourly rates. In addition to covering operating expenses, user fees are set at a level to provide repayment of debt service and to accumulate funds for capital repair and replacement projects.

A reserve for contingencies and revenue fluctuations shall be maintained at a level of between 15-17% of annual budgeted operation and maintenance expenses. Reserves for debt services shall be maintained as required by bond covenants. On an annual basis, revenue shall be set aside to fund depreciation for capital improvements based on an asset management depreciation plan. Accumulated funds shall be used to finance capital repair and replacement projects.

Bennett Valley Municipal Golf Course Reserve Fund

The Bennett Valley Municipal Golf Course Enterprise Fund provides for maintenance, supervision, and improvements at the Bennett Valley Municipal Golf Course. The reserve is to provide adequate funds to insure ongoing operation of Bennett Valley Municipal Golf Course, for annual repayment of debt, to accrue funds for certain improvements, for rate stabilization, and for unexpected project expenditures.

A contingency reserve for the Bennett Valley Municipal Golf Course shall be maintained at a level of between six and eight months' operating expenditures. In addition, \$200,000 will be kept in reserve for emergency expenditures.

If, following an annual review, the level is below six months' operating expenditures, plus \$200,000 emergency funds, a plan will be identified to increase the reserves to that amount. If the level is above eight months' operating expenditures, plus \$200,000 emergency funds, the excess funds will be designated for a facility operating program(s) or a capital project(s).

SR WATER DEPARTMENT AND SANTA ROSA SUBREGIONAL WATER REUSE SYSTEM RESERVE POLICY

The City of Santa Rosa's water and wastewater enterprises and the Santa Rosa Subregional Water Reuse System enterprise provide a safe and economical water supply and wastewater collection for the City of Santa Rosa and wastewater treatment, as well as disposal, reclamation, industrial waste inspection, and laboratory services to all of the Subregional partners.

Maintaining adequate reserves provides flexibility to respond to fluctuations in revenues and costs as well as short-term emergencies. Adequate reserves directly affect a utility's bond rating and ultimately its ability to borrow money at lower interest rates. This policy establishes the intended use of the various reserves and the desired level of reserves.

Discretionary Reserves

The operating reserves will have a target balance of 15% of annual budgeted operation and maintenance expenses in each utility to provide working capital, as well as funds for unanticipated expenditures or revenue shortfalls, and for minor emergencies. In addition, the utility may plan for the use of up to 50% of the minimum target reserve with each biennial rate update process, so long as the operating reserve is shown to return to the target minimum balance within a five-year planning period.

Capital Replacement Reserves

The target level for capital replacement reserves is \$2,000,000 each for the water and local wastewater enterprises and \$1,000,000 for the Subregional Water Reuse System enterprise.

Catastrophic Reserves

Catastrophic reserves, intended to protect against the potential financial risk to each utility associated with a major earthquake or other catastrophic event, will have a target balance of \$4,400,000 for the water enterprise; \$5,200,000 for the local wastewater enterprise, \$1,300,000 for the Subregional Water Reuse enterprise, and an additional \$1,250,000 specifically for the Geysers Recharge portion of the Subregional enterprise. A new Subregional User Agency Reserve was established in 2013 to enhance Subregional liquidity and provide a user-funded reserve as a security for debt service payments. This reserve is set at 20% of the annual debt service amount.

Rate Stabilization Reserves

Debt rate stabilization reserves are intended to mitigate the gradual increase in rates needed to support long-term debt obligations. The reserve can also be used annually in the net revenue calculation for determining debt service coverage. Debt rate stabilization reserve levels will be determined as part of the utility's long-term financing plan.

Operating Rate Stabilization Reserves will be utilized during the biennial rate setting analysis to offset the need for rate increases and, in the case of the water utility, will help smooth volatility caused by weather trends and the irrigation efficiency tiered rate. Operating Rate Stabilization Reserves will fluctuate as revenues and expenses exceed or fall short of projections. A surplus of revenue over expenses in any operating year will be added to the Operating Rate Stabilization Reserve; a deficit in any operating year will be mitigated to the extent possible by the Operating Rate Stabilization Reserve.

Policies

Designated or Restricted Reserves

Designated (or restricted) reserves are set by external requirements and restraints of creditors, grantor contributors, or law. The water, local wastewater, and Subregional Water Reuse System will maintain such reserves as required by bond covenants, state revolving loan contracts, or other requirements as needed.

AFFORDABLE HOUSING POLICY

The City Council has made a determination to annually designate a calculated amount from the General Fund to the Housing and Economic Department to be used for homeless and affordable housing programs.

Prior to the preparation of the Economic Development and Housing Department's proposed budget for each upcoming fiscal year, the Department of Finance shall provide the Department with an estimate of the Real Property Transfer Tax (RPTT) revenues that will be received by the City during the upcoming fiscal year.

The annual amount to be designated shall be a figure arrived at by multiplying 20 percent times the estimated amount of Real Property Transfer Tax projected to be received by the City in that fiscal year.

Following the close of each fiscal year, the Department of Finance shall confirm the total amount of RPTT actually received by the City during the prior fiscal year. The City's Director of Finance will then reconcile the amount received with the amount previously designated and notify the Director of Economic Development and Housing of any additional funds available for appropriation. Nothing in this policy shall prevent the Council from making additional appropriations for Homeless and Affordable Housing programs.

COMMUNITY PROMOTIONS FUNDING POLICY

The current total annual contribution for community promotions is \$125,000, an amount which can be changed by action of the City Council.

All requests for support or continued support from the Community Promotions Fund shall be reviewed annually during the budget hearing process. Requesting organizations must be non-profit. The organizations must submit a list of its Board of Directors and a complete budget for the current fiscal year, which will be reviewed in advance of their appearance before the City Council. This budget must also indicate specifically how City funds are proposed to be used.

All requested background material shall be submitted to the City not later than March 1 in order that it is given proper consideration within the City's established budget process. The organization must show, by submitting evidence satisfactory to the Council, that it is not asking the City to be the sole support of the project or activity which the organization seeks to finance and that the activity is reflective of the goals of the City.

Each event should be evaluated annually, based on its own merits, and funding is not guaranteed from year to year. It is preferable that Community Promotions funds be used primarily to fund in-kind City services. The City Council Community Promotion Committee should include at least one City Council Member with experience on the committee in a prior year and the assignment should be rotated.

INVESTMENT POLICY

This policy applies to all funds managed by the City, and its designees, excluding bond proceeds and pension obligation funds which are governed by the terms of their covenants. The City contracts with PFM Asset Management Group for investment services. This policy is reviewed regularly and updates are taken to the City Council for approval as needed.

The investment policy specifies the regulations and procedures that support a prudent and systematic program for the City's investments. The investment objectives are, in priority order, safety, liquidity and yield. Safety of the principal is the foremost priority, with preservation of capital and minimization of credit and market risk as the primary facets. The second priority is liquidity which enables the City to maintain enough capital to meet all operating requirements. Yield is the third priority, with the portfolio designed to attain a market rate of return through budgetary and economic cycles, taking into account the risk constraints, liquidity needs and cash flow characteristics of the portfolio.

The investment policy follows the California Government Code "prudent investor" standard to ensure careful management and oversight of public funds. The policy stipulates that an investment management committee should be appointed by the City Manager to review investment strategies and portfolio performance.

Authorized and suitable investments as allowed by California Government Code are outlined in the policy. The City recognizes the risks inherent with investing and strives to mitigate them through risk management and diversification. Credit criteria (ratings) and percentage limitations are given for each category and type of investment. Additionally, ineligible investments are specified.

The City's Investment Policy gives investment parameters in regards to diversification, length of investment (no longer than five years), socially responsible investing, sales of securities, and authorized broker/dealers and banks. Additionally rules regarding safekeeping and custody, including an annual audit by an external auditor, are specified as are monthly reporting requirements.

DEBT MANAGEMENT AND DISCLOSURE POLICY

The purpose of the debt management policy is to organize and formalize debt issuance related policies and procedures for the City, subject to and limited by applicable provisions of State and Federal law and by prudent debt management principles. The primary objectives of the City's debt and financing related activities are to: Maintain cost effective access to capital markets through prudent fiscal management policies and practices; minimize debt service commitments through effective planning and cash management; and, achieve the highest practical credit ratings. This policy is reviewed regularly and updates are taken to the City Council for approval as needed. It's noted that the City Council's adoption of the City's Annual Budget and Capital Improvement Program does not, in and of itself, constitute authorization for debt issuance for any capital projects.

This policy provides direction for City staff on management, ethical conduct and conflicts of interest, and integration into the City's Capital Improvement Program. The consideration of debt financing will occur when public policy, equity and economic efficiency favor it over cash funding. The policy specifies standards to use as guides when considering debt financing including credit risk, long term capital projects, debt financing mechanisms, ongoing debt administration and internal controls and rebate policy and system.

When the City determines the use of debt is appropriate, criteria has been specified for long-term debt; short-term debt; variable rate debt and variable debt rate capacity, with consideration of adequate safeguards against risk, variable revenue stream and as a component to synthetic fixed rate debt; financial derivative products; and, refunding financing. Specific guidelines are given for each.

There is a section on terms and conditions of bonds with guidelines for term, capitalized interest, lien levels, call provisions and original issue discount. The City will consider the use of credit enhancements such as bond insurance, debt service reserve surety bond, and letter of credit on a case by case basis, evaluating the cost and benefit of such enhancements.

The City will continually evaluate outstanding bond issues for refunding opportunities and will consider the following issues: debt service savings, restructuring, terms of refunding issues, escrow structuring and arbitrage.

Policies

The policy has several provisions regarding methods of debt issuance and strives to sell its bonds competitively but will pursue negotiated sales when conditions warrant. Methods of issuance include competitive sale, negotiated sale and private placement. Issuance of revenue bonds will be accompanied by a finding that demonstrates the projected revenue stream's ability to meet future debt service payments.

In regards to market relationships, the City's Chief Financial Officer (CFO) is responsible for maintaining relationships with ratings agencies such as Moody's, Standard & Poor's, and Fitch, and investors. In addition to general communication, the CFO will meet with credit analysts at least once per fiscal year and prior to each competitive or negotiated sale, offer conference calls with agency analysts regarding the planned sale. The CFO is responsible for including comments received from ratings agencies or investors in the City's Comprehensive Annual Financial Report to Council, with recommendations addressing any weaknesses. The City will remain in compliance of Rule 15C2-12 by filing its annual financial statements and other financial and operating data for the benefit of its bond holders in a timely manner and the CFO will ensure timely filing with each Nationally Recognized Municipal Securities Information Repository and State Repository. The CFO will ensure that bond proceeds and investments are tracked in a manner that facilitates accurate, complete calculation and timely rebate payments if necessary. The City may issue bonds on behalf of another public entity, as long as the City is isolated from all risks and the conduit findings achieve a rating at least equal to the City's ratings or that a credit enhancement is obtained. Finally, the City will charge an administrative fee equal to direct costs to reimburse its administrative costs incurred in debt issuance and ongoing reporting costs.

The policy notes procedures for hiring of its primary consultants. Consultants will be selected by a competitive process. The CFO will make recommendations for financing team members, with the City Council giving final approval. The City will use a financial advisor to assist in its debt issuance and debt administration processes as prudent and expects to receive object advice and analysis from its advisor. City debt will also include a written opinion by legal counsel (bond counsel) affirming the City is authorized to issue the proposed debt, has met all requirements necessary for issuance, and a determination of the proposed debt's federal income tax status, and the policy lists other possible requirements of bond counsel.

Finally, the policy gives guidelines for selection of an underwriter, specifying the City has the right to select a senior manager for a proposed negotiated sale, as well as co-managers and selling group members as appropriate. Selection of underwriters will be by competitive process and may be for a single transaction or an as-needed pool. Specifics about underwriter's counsel, discount and disclosure by the finance team members are provided.

Gann (Appropriations) Limit

Article XIII B of the California Constitution (Article 4) and related implementing legislation provide for an annual “appropriations limit” for each entity of local government and require the governing body of each local jurisdiction to establish its appropriation limit by resolution each year.

The appropriation limit does not apply to the entire City budget but only to the appropriation of “proceeds of taxes” in the City’s “general government” type funds.

From 1980-81 to 1989-90, each year’s appropriation limit was based on the previous year’s limit, multiplied by the percentage change in population and the percentage change in the United States Consumer Price Index or the change in California per capita income, whichever was less.

Proposition 111, which was approved by the voters in June 1990, amended the factors used in the calculation of each year’s limit. The factors to be used now are:

- **Population Factor-** At the City’s choice, either the annual change in City or County population.
- **Price Factor-** At the City’s choice, either the change in California per capita income or increase in non-residential assessed valuation due to new construction.

The formula to be used in calculating the growth rate is:

$$\frac{\% \text{ change in population} + 100.00}{100}$$

Multiplied by either

$$\frac{\% \text{ change in per capita income} + 100.00}{100.00}$$

Or

$$\frac{\text{Change in non-residential assessments} + 100.00}{100.00}$$

The resultant rate multiplied by the previous appropriation limit equals the new appropriation limit. Both the California per capita personal income price factor and the population percentage change factors are provided by the State Department of Finance to local jurisdictions each year. Population percentage change factors estimate change in the City’s population between January of the previous fiscal year and January of the current fiscal year. These numbers provide the factor to be used in the City’s calculation of the Gann limit.

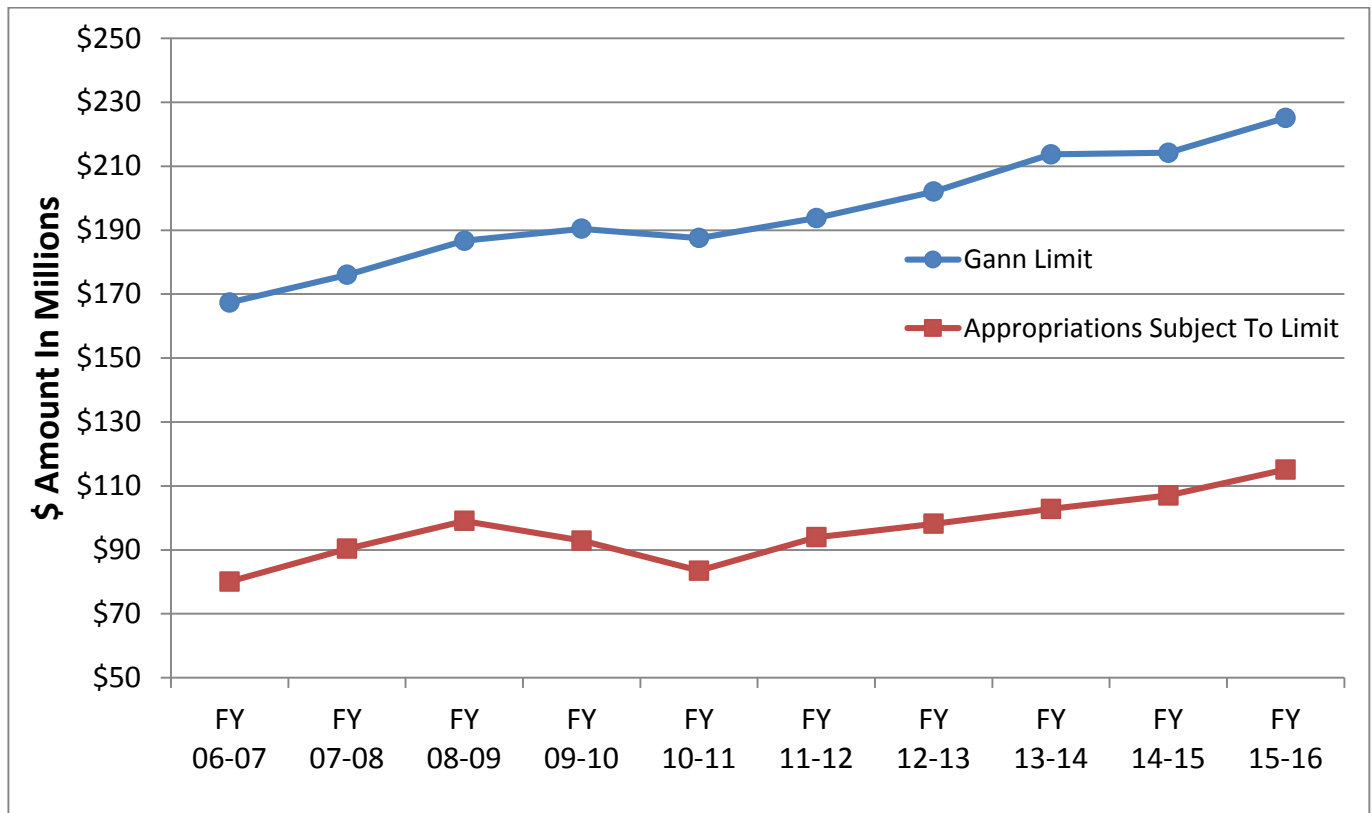
Gann (Appropriations) Limit

In May 2015, the California State Department of Finance notified cities of the population change and the per capita personal income factor to be used to determine the appropriation limit. Using the change in per capita income method, the calculation as applied to the City of Santa Rosa for FY 2015-16 is:

- The change in the California per Capita Income for FY 2015-16 is 3.82%.
- The percent population increase of the City of Santa Rosa from Jan. 1, 2014 to Jan. 1, 2015 is 1.23%.

$$\frac{3.82 + 100.00}{100.00} \times \frac{1.23 + 100.00}{100.00} = 1.0510$$

Applying the year's factor of 1.0510 to last year's limit of \$214,185,000, the Gann limit for FY 2015-16 is \$225,108,000. With appropriations subject to the limitation totaling approximately \$115,097,000, the City of Santa Rosa is not at risk of exceeding the Gann limit.



Glossary

Americans with Disabilities Act (ADA): The Federal act prohibiting discrimination against people with disabilities in employment, transportation, public accommodation, communications, and governmental activities.

Adjusted Budget: The adopted budget including changes made during the fiscal year.

Adopted Budget: The annual City budget as approved by the City Council on or before June 30.

Advanced Life Support (ALS): The name given to a Fire Engine company when its staff includes a Paramedic and paramedic medical supplies.

Annual Operating Contingency: An account, used at the discretion of the City Manager, to fund emergency or extraordinary items.

Appropriation: An authorization by the City Council to make expenditures and to incur obligations for a specific purpose within a specific time frame.

American Recovery & Reinvestment Act (ARRA): An act established by the federal government in February 2009 whose intent is to create and save jobs, spur economic activity and focus on long term growth through the funding of various projects and initiatives.

Assessed Valuation: A dollar value placed on real estate by counties as a basis for levying property taxes.

Audit: Scrutiny of the City's accounts by an independent auditing firm to determine whether the City's financial statements are fairly presented in accordance with generally accepted accounting principles.

Automatic Vehicle Locator (AVL): A device that makes use of the Global Positioning System (GPS) to enable a business or agency to remotely track the location of its fleet using the Internet.

American Water Works Association (AWWA): An international nonprofit scientific and educational society dedicated to the improvement of drinking water quality and supply.

Balanced Budget: The budget for a fund is balanced when total budgeted resources, including revenues, transfers in from other funds, and unallocated fund balance from the previous years, meet or exceed total budgeted uses of resources, including expenditures and transfers out to other funds.

Base Budget: Under traditional budgeting, the base budget is that amount carried over from one year to the next. Each year, approved amounts may be added or reduced from the base budget.

Beginning Balance: Unencumbered resources available in a fund from the prior fiscal year after payment of prior fiscal year expenditures.

Basic Life Support (BLS): The name given to a Fire Engine company when its staff includes an Emergency Medical Technician (EMT), who is more limited than a Paramedic in the medical services they can provide based on their training.

Bond: Capital raised by issuing a written promise to pay a specified sum of money, called the face value or principle amount, with interest at predetermined intervals.

Budget: A fiscal plan of financial operation listing an estimate of proposed allocations or expenditures and the proposed means of financing them. The budget must be approved by the City Council prior to the beginning of the fiscal year.

Budgetary Basis: This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms; GAAP, cash, or modified accrual.

Business Tax: A tax levied on persons or companies doing business in Santa Rosa, based on gross receipts, which must be renewed each year.

Community Advisory Board (CAB): A Board appointed by the City Council to represent views and ideas from a broader community on issues of interest to the Council, such as public safety, capital improvement priorities, development issues, etc.

Glossary

California Association for Local Economic Development (CALED): A statewide professional economic development organization dedicated to advancing its members' ability to deliver economic development services to their communities and business clients.

California Public Employees' Retirement System (CalPERS): The retirement system, administered by the State of California, to which all permanent City employees belong.

Capital Asset: Land, infrastructure, and equipment that are used in operations that have initial useful lives of at least five years. The City has set the capitalization threshold for reporting infrastructure capital assets at \$25,000 and for all other capital assets at \$5,000.

Community Helping Our Indispensable Children Excel grant (CHOICE grant): Measure O funded grants given to organizations offering specific gang prevention and intervention related services in targeted areas of Santa Rosa.

Capital Improvement Program (CIP): The five-year financial plan for improving asset and integrating debt service and capital assets maintenance, adopted in a separate budget document and updated every year.

Customer Information System (CIS): Automated customer management software which provides customer support, account management, billing and collections for water and wastewater services, used by the City's Utility Billing staff. The CIS system was implemented in FY 2009-10.

Certificates of Participation (COPs): A lending agreement secured by a lease on the acquired asset or other assets of the City.

Citizens Organized to Prepare for Emergencies (COPE): A citizen/City partnership group whose mission is to help residents, families, and neighborhoods become and remain better prepared to respond to and recover from emergency situations.

Consumer Price Index (CPI): A measure estimating the average price of consumer goods and services purchased by households. A consumer price index measures a price change for a constant market basket of goods and services from one period to the next within the same area (city, region, or nation).

Certified Unified Program Agency (CUPA): A program that provides information regarding hazardous materials to emergency responders and the general public.

Debt Service: Payment of the principle and interest on an obligation resulting from the issuance of bonds, notes, or certificates of participation (COPs).

Debt Service Fund: A fund established to finance and account for the payment of interest and principal on all general obligation debt, other than that payable exclusively from special assessments and revenue debt issued for and serviced by a governmental enterprise.

Deficit: An excess of expenditures over revenues (resources).

Department: An organizational unit comprised of divisions or functions. It is the basic unit of service responsibility encompassing a broad mandate of related activities.

Environmental Impact Report (EIR): An assessment of the likely influence a project might have on the environment.

Emergency Medical Service (EMS): Paramedic and medical service provided by the Santa Rosa Fire Department.

Encumbrances: A legal obligation to pay funds for expenses yet to occur, such as when a purchase order has been issued but the related goods or services have not yet been received. They cease to be encumbrances when the obligations are paid or terminated.

Glossary

Enterprise Fund: A type of fund established for the total costs of those governmental facilities and services which are operated in a manner similar to private enterprise. These programs are entirely or predominantly self-supporting through user charges. The City has a number of enterprises such as the Utilities and Transportation and Public Works departments. May also be referred to as Proprietary Funds.

Expenditure: The actual spending of governmental funds.

Fiscal Year: A twelve-month period of time to which a budget applies. In Santa Rosa, it is July 1 through June 30.

Fair Political Practices Commission (FPPC): A bi-partisan independent commission whose mission is to promote the integrity of representative state and local government in California through fair, impartial interpretation and enforcement of political campaign, lobbying, and conflict of interest laws.

Full Time Equivalent (FTE): The percentage of full time an employee is assigned to work. Full-time equals 100% or 40 hours per week. 1.0 equals one employee working 40 hours per week.

Fund: An independent fiscal and accounting entity with a self-balancing set of accounts, used to record all financial transactions related to the specific purpose for which the fund was created.

Fund Balance: The difference between fund assets and fund liabilities.

Generally Accepted Accounting Principles (GAAP): Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

Gann Limit: State of California legislation that limits a City's appropriations growth rate to two factors: Changes in population, and either the change in California per capita income or the change in the local assessment roll due to non-residential new construction.

(GASB) Governmental Accounting Standards Board: The authoritative accounting and financial reporting standard-setting body for government entities.

General Fund: The primary fund of the City used to account for all revenues and expenditures of the City that are not legally restricted as to use. This fund is used to accumulate the cost of the City's general operations.

General Obligation Bond: Bonds backed by the full faith and credit of the City, used for various purposes and repaid by the regular revenue raising powers (generally property taxes) of the City.

Government Finance Officers Association (GFOA): A professional association of state, provincial, and local finance officers in the United States and Canada whose purpose is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and practices and promoting them through education, training, leadership.

Geographic Information System (GIS): A system of maps that can be accessed online through the srcity.org webpage.

Governmental Fund Types: Funds used to account for acquisitions and other uses of balances of expendable financial resources and related current liabilities, except for transactions and accounted for in proprietary and fiduciary funds. Under current GAAP, there are four governmental types: general, special revenue, debt service, and capital projects.

Global Positioning System (GPS): A satellite-based navigation system made up of a network of satellites placed into orbit by the United States Department of Defense, originally intended for military applications, but was made available for civilian use in the 1980s.

Grant: Contributions or gifts of cash or other assets from another governmental entity or foundation to be used or expended for a specific purpose, activity, or facility.

Infrastructure: The physical assets of the City (e.g., street, water, sewer, public buildings and parks).

Glossary

Intergovernmental Revenue: Funds received from federal, state and other local government sources in the form of grants, shared revenues and payments in lieu of taxes.

Internal Service Fund: A fund used to account for the financing of goods or services provided by one department to another department of a government.

Internal Transfers/Reimbursements:

Appropriations and revenues necessary to move from one budget unit to another (within a department) to properly account for revenues and expenditures. Similar to operating transfers within a department.

International City/County Management Association (ICMA): A professional and educational organization for chief appointed managers, administrators, and assistants in cities, towns, countries, and regional entities throughout the world.

Interfund Transfers: Moneys transferred from one fund to another, such as from a fund receiving revenue to the fund through which the resources are to be expended.

Local Improvement District Bonds (LID): Bonds paid for by special assessments on benefiting property owners for specific capital improvements.

Long Term Debt: Debt with a maturity of more than one year after the date of issuance.

League of California Cities (LOCC): An association of California city officials who work together to exchange information and combine resources to influence policy decisions that affect cities in California.

Laguna Treatment Plant (LTP): The wastewater treatment plant operated by the City of Santa Rosa that treats wastewater from homes, businesses, and industry located within the Santa Rosa Subregional Water Reuse System, which serves the cities of Santa Rosa, Rohnert Park, Sebastopol, and Cotati.

Mandated Programs: Mandated programs are those programs and services that the City required to provide by specific state and/or federal law.

Measure “O”: A quarter cent sales tax measure passed by Santa Rosa voters in 2004, of which proceeds are used to fund public safety and gang intervention and prevention programs.

Memoranda of Understanding (MOU): A document describing an agreement between parties, most often used in the City of Santa Rosa to describe the agreement resulting from labor negotiations between the City and its various bargaining units.

(MTC) Metropolitan Transportation Commission: The transportation planning, coordinating, and financing agency for the nine-county San Francisco Bay Area, including Sonoma County.

Modified Accrual Basis: The accrual basis of accounting adapted to the government fund-type measurement focus. Under it, revenues and other financial resource increments (e/g., bond proceeds) are recognized when they become susceptible to accrual, which is when they become both “measureable” and “available” to finance expenditures of the current period. All governmental funds, expendable trust funds and agency funds, are accounted for using the modified accrual basis of accounting.

National Incident Management System (NIMS): A program developed by the Federal Department of Homeland Security so responders from different jurisdictions and disciplines can work together better to respond to natural disasters and emergencies.

National Pollutant Discharge Elimination System (NPDES): As authorized by the Clean Water Act, the NPDES permit program controls water pollution by regulating point sources that discharge pollutants into U.S. waters.

Neighborhood Revitalization Program (NRP): A coordinated inter-departmental City task force that works in certain neighborhoods to ensure decent, safe, and sanitary housing.

Glossary

Object Code: The line item where a revenue or expenditure is recorded.

Objectives: The expected results or achievements of a budget activity.

Operating Budget: Annual appropriation of funds for ongoing program costs, including salaries and benefits, services, and supplies. This is the primary means by which most of the financing, acquisition, spending, and service delivery activities of the City are controlled. Reserves and contingencies are also components of Santa Rosa's annual budget.

Ordinance: A formal legislative enactment by the City Council, which has the full force and effect of law within City boundaries.

Other Financing Sources: Long-term debt proceeds, proceeds from the sale of general fixed assets, and incoming operating transfers from another governmental fund.

Other Financing Uses: Operating transfers out from one governmental fund to another.

Overhead: Charges to various funds to cover the cost of administrative services, rent, custodial services, etc.

Pavement Condition Index (PCI): A numerical index between 0 and 100 that is used to indicate the condition of a roadway.

Proprietary Funds: Revenues from City of Santa Rosa activities that operate as public enterprises, in which revenues are derived from fees charged to users, and programs are largely cost-covering. Also referred to as Enterprise Funds.

Photovoltaic system (PV): A system that uses panels (or cells) of semiconductor material similar to that used in computer chips to absorb sunlight and convert it to electricity.

Regional Climate Protection Coordination Plan (RCPCP): A coordinated Sonoma County-wide plan to reduce greenhouse gas emissions and promote energy efficiency through a variety of initiatives and programs.

Redwood Empire Dispatch Communications Authority (REDCOM): The agency who provides regional fire and emergency medical dispatching services for Sonoma County.

Reserve: A portion of fund balance that is designated for contingencies or emergencies, which generally has a policy dictating a minimum level.

Resolution: A special order of the City Council which has a lower legal standing than an ordinance.

Revenue: Income received during the fiscal year from taxes, fees, permits, franchises, interest, and intergovernmental sources.

Request for Proposal (RFP): An invitation for suppliers, often through a bidding process, to submit a proposal for a specific commodity or service.

Real Property Transfer Tax (RPTT): Tax revenues generated by the transfer of ownership of real property. Taxes are charged on the sale price of the property and are paid by the seller, buyer, or both.

Salaries and Benefits: A budget category which generally accounts for full-time and temporary employees, overtime, and all employee benefits such as medical, dental, and retirement.

Sonoma County Energy Independence Program (SCEIP): A program that provides low interest loans to citizens and businesses wishing to make energy improvements to homes or properties.

Sonoma County Transportation Authority (SCTA): A group that acts as the county-wide planning and programming agency for transportation related issues, including securing funds, project oversight, and long term planning.

Standardized Emergency Management System (SEMS): The State system for managing emergencies involving multiple jurisdictions and agencies.

Services and Supplies: A budget category which accounts for expenditures that are ordinarily consumed within a fiscal year.

Glossary

Sonoma Marin Area Rail Transit Project (SMART): A project to install a passenger rail in San Francisco's North Bay, which aims to provide rail service along 70 miles of the Northwestern Pacific Railroad alignment, offering an alternative to driving.

Special Revenue Fund: A revenue fund used to account for the proceeds of specific revenue sources (other than special assessments, or for major capital projects) that are legally restricted to expenditures for specified purposes.

Structural Deficit: The permanent financial gap that results when ongoing revenues do not match or keep pace with ongoing expenditures.

Transient Occupancy Tax (TOT): A tax imposed on travelers who stay in temporary lodging facilities within the City.

Transfers In and Transfers Out: Movement of revenue out of one fund and into another. The recipient fund uses the money to cover the cost of services provided or to cover the cost of a contract between two funds.

Utility Users Tax (UUT): A 5% tax charged by the City of Santa Rosa on the usage of electricity, gas, cable television, local non-cellular communications, and intrastate non-cellular communications.